









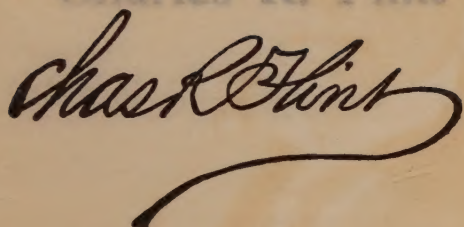


# Memories of an Active Life

Men, and Ships, and Sealing Wax

By

Charles R. Flint



*With 150 Illustrations*

G. P. Putnam's Sons  
New York & London  
The Knickerbocker Press

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Charles D. Johnson

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First Edition printed, October, 1923  
Second printing, December, 1923



Made in the United States of America



To  
MY WIFE  
THE PERFECT PARTNER



## FOREWORD

A BOOK, to be worth its keep, must draw a likeness. It is not enough that merely it tells a story; that helps, surely. But that's not all. Its covers must frame a picture of one or more human beings. If it be a book of fiction its chief characters should so reveal themselves among the contents that, to himself, the reader will say: "These, now, are real people—real to me. They move and walk and speak and have their ways. They may never have lived but they seem to live. If the things told here never happened at least they might have happened." And if it is a biography or an autobiography it must present to us a recognizable portrait; else the book, no matter how skillful its author may be at word-mongering, is a failure. It's worse than a failure—it's an obtaining of money and time—the purchaser's money and time—and shelf-room, under false pretenses.

Now, either I am badly mistaken in my estimates of it or this present book measures up to the main latter requirements. I do not think I am mistaken. I am sure my private sentiments for the writer have not skewed my judgment. When Charles R. Flint sat down to write his story he had a story to write; that, to begin with, was something. And, without professing to understand the

tricksy thing known in letters as "style" he nevertheless knew, naturally and instinctively, how to write it, which is a great deal more. He laid no claim to literary gifts but if one of those gifts be the knack for straightforward, simple, graphic composition—why then, I contend he had it, and offer the present volume for my proof.

But then, he had something to tell about. In telling about it he succeeded in projecting his own personality across the printed page so that, following his narrative, one may find out, not only what he has done, but what manner of man he is. And that, I repeat, is the principal thing.

This is no lingering voice out of retirement. Mr. Flint did not wait until he was through with life to recite how he had lived it. He hasn't quit the race; he only has taken time, between heats, to do this job. Even so, he approached the undertaking at an age when most men have begun to exchange their emotions for symptoms. It is that same age when many men of affairs—finished affairs, mostly—feel the urge to compile their histories. Probably vanity inspires some of these undertakings; the garrulity which comes so often in the early seventies—quacking the warning for approaching senility—leads some among them to take pen in hand. Having been shoved off the stage they would tarry in the wings to confound their successors before the footlights by shouting back the defiant and vainglorious tally of their own achievements. Your superannuate star is too apt to think all the giants are dead except him—and he's beginning to feel rather poorly, himself!



As a rule, such chronicled memoirs are not especially diverting. A hiccough is reminiscent, too, but not highly entertaining, and likely to become boring if repeated. If all the dull books which have been written in the first person, past tense, by unhumorous and enfeebled old gentlemen were placed end to end they would form a continuous yawn stretching entirely across the continent. At that, I'd rather place than read them.

But when this man turned author he enjoyed the advantage over certain of his contemporaries. For in him we have a distinguished example of the type who avoid growing old ungraciously by staying young successfully. Here is no lean and slippered Pantaloon, his piping voice whistling in his wheezy throat, his meagre judgments soured and soured in the brine of age, his harsh philosophy attainted by the signs of an onrushing dotage. If his arteries have hardened, the doctors haven't been able to find it out. He takes his breath of life out of work and play, not out of the pages of the pharmacopæia. Except for the tally of his birthdays, he is as youthful as any of us; and, after all, the next birthday or the last one, becomes but a detail and an incident to one who has kept firm grip on his health, his enthusiasms, his hobbies, and his interests. Along the turnpike of time a mile-stone means little but a gall-stone may mean a great deal. Whenever I see Charles R. Flint I am reminded of one of those hardy pippins of his native Yankee-land that cling to the bough, firm and crisp, far along into the winter and are all the more flavory for having weathered the frost.

All his days, as these chapters show, he has been a trader

—merchant, middle-man, banker, shipper, financier, negotiator. He came to his calling by right of an inheritance; for generations before him his forbears were Down East skippers, a breed of seafarers who huckstered in bottoms and cargoes. There is a poetry and a savor in this sort of commerce; it takes a man and his thoughts to spice islands and far parts. But, more than any other man I know, my friend has found romance in business. Out of his barterings, right from the beginning, he got adventure. His day-book carried more than the score of this thing bought or that thing sold, of profit and loss, of dollars and cents; it carried the record of quest, of experiment, of chance-taking and exploitation. There are entries in his ledger which are chapter headings for big wars and little ones; there are dates that mark the beginnings or the endings of revolutions and uprisings. The more dramatic commodities—munitions, ships, explosives, speculative inventions—these are the things he dealt in; and such dealings called for greater qualities of discernment and a wider range of experience than the mere commercial impulse requires. They demanded of him daring, a genius for diplomacy, a knowledge of the practices of peoples, an acquaintance with the ways of the nations of the world and their leaders. He had to know statecraft and intrigue, high velocities and low motives, honesty and imposture. He had to do with politicians and patriots, monarchs and usurpers, idealists and pretenders, sages and conspirators. His errands took him behind the scenes of epochal events. They made him the confidant of Tilden, the associate of Blaine, the purse-

bearer of the Rothschilds, the sponsor of a young South American republic, the host of a great Chinese scholar turned refugee. He was a pioneer investigator of, and investor in, the automobile and the aeroplane. He had a direct hand in the earlier development of submarine and dynamite gun. He owned and sailed the fastest yacht in American waters. He built and owned and captained—and largely designed—the swiftest steam yacht that ever split the salt. He was the first man to shape and perfect a great industrial combination in this country. For forming this one and many more they long ago dubbed him “the Father of Trusts.” He is the only man, alive or dead, who ever assembled to order and sent to sea a full-sized navy intended for belligerent uses—and did it all in six weeks’ time: a fleet of war-vessels, armed with modern ordnance and modern projectiles and manned by crews of jaunty gentlemen who neither knew nor cared for what cause they were enrolled to fight nor under what flag they would serve. And between such ventures as these he found time—or took it—to kill big game; to hunt and fish in nearly all the states of this union and in half a dozen countries abroad; to shove a canoe along virgin waters; to make friends in all societies and to keep them. Men and women like him, his saddle-horse whinnies its joy at the sound of his footstep and his dog adores him. It’s mighty hard to fool a dog on the merits and the measure of a man.

For my part, I have hunted with him, fished with him, boated with him, camped with him. I have spent a hundred nights with him while he talked of many things—

of sailing ships and sealing-wax, of cabbages and kings. Or, if he somewhat slighted the cabbages and the sealing-wax at least he knew the inner facts touching on sailing-ships and kings. When I have had such an evening with Charles R. Flint it was as though I sat beside a grate-fire of sound and seasoned hickory—plenty of sparks snapping, the possibility of being singed by a live coal, but with these a cheersome, heartening, genial warmth. At seventy-three he keeps, intact and unimpaired, those faculties which made him conspicuously successful in business life before he reached his mid-twenties—appreciation, sympathy, sense of humor, understanding; the shrewdness of a Maine man; a kindly viewpoint; a love for the out-of-doors; devotion for his country whose destinies he has helped in some way to fashion; optimism, enthusiasm, an abounding curiosity; appreciation of books, of music, of nature; an encompassing admiration for all men who create and undertake and put things through.

Certainly his is a story that should be told, and in the pages which follow he competently has told it. Something warns me that my task here has not run so straightforward a course. For I sat down to do a foreword to this volume. Reading back over what I have written I see that it is not so much an introduction for a book as it is a tribute to a man.

Well, let it go—I like it better so. I hope he does, too.

IRVIN S. COBB.



## CONTENTS

CHAPTER	PAGE
I.—THE BEGINNINGS . . . . .	3
II.—THE OLD SHIPS AND THE OLD SEA . . . . .	11
III.—HEALTH . . . . .	22
IV.—HUNTING AND SHOOTING AROUND THE WORLD. . . . .	29
V.—BEING INTRODUCED TO LATIN AMERICA . . . . .	48
VI.—TRYING TO FORM A NITRATE TRUST . . . . .	64
VII.—EXPERIENCES IN ARGENTINA AND BRAZIL . . . . .	73
VIII.—SERVING SOUTH AMERICAN BELLIGERENTS . . . . .	85
IX.—A SOCIETY FOR TESTING HUMAN CREDULITY . . . . .	115
X.—YACHT RACING, AND THE FASTEST YACHT IN THE WORLD . . . . .	133
XI.—PAN-AMERICAN DIPLOMACY . . . . .	148
XII.—THE WAY OF A TROUT WITH A FLY . . . . .	162
XIII.—JAMES G. BLAINE AND RECIPROCITY TREATIES . . . . .	175
XIV.—I CONTINUE TO SERVE BELLIGERENTS—JAPAN —U. S. A. . . . .	180
XV.—RUSSIA, CZAR NICHOLAS, AND THE WAR WITH JAPAN . . . . .	196

CHAPTER	PAGE
XVI.—ENCOURAGING THE FIRST PROVISIONAL GOVERNMENT OF RUSSIA . . . . .	226
XVII.—THE AUTOMOBILE AND THE AEROPLANE . . . . .	240
XVIII.—INTIMATE GLIMPSES OF TILDEN AND OTHERS . . . . .	254
XIX.—CHINA . . . . .	276
XX.—BECOMING THE FATHER OF TRUSTS . . . . .	286
XXI.—INDUSTRIAL CONSOLIDATION . . . . .	309

## ILLUSTRATIONS

	PAGE
THE AUTHOR . . . . .	<i>Frontispiece</i>
THE FLINTS . . . . .	4
CLIPPER SHIPS . . . . .	12
PACKET-CARGO SHIP . . . . .	16
SKATING; RIDING . . . . .	24
COTTAGE "BIAMILSITE" . . . . .	28
EDITOR ROBERT H. DAVIS . . . . .	28
DRAMATIST OWEN DAVIS . . . . .	28
WRITER IRVIN S. COBB . . . . .	28
REAR ADMIRAL SIR GUY GAUNT, M. P. . . . .	30
ENTRANCE TO BATTLE ABBEY . . . . .	30
DUCK SHOOTING—SINK BOX . . . . .	32
POINT SHOOTING AND SNEAK BOAT . . . . .	32
UPLAND SHOOTING . . . . .	34
SPORTING DOGS AND WOODCOCK COVER . . . . .	34
"DEAR OLD GEORGIA" . . . . .	36
T. COLEMAN DUPONT'S GLASS HOUSE . . . . .	36
JOY MORTON AND SETTERS POINTING QUAIL . . . . .	38
THOMAS BARING . . . . .	40
J. HENRY SMITH IN MAINE WOODS . . . . .	42

	PAGE
CARIBOU AND MOOSE HUNTING . . . . .	44
BARON ROBERT DE ROTHSCHILD . . . . .	46
CHINCHA ISLANDS OF PERU . . . . .	54
HENRY MEIGGS AND MINOR C. KEITH . . . . .	54
BALINTORE CASTLE . . . . .	68
LUNCH ON THE HEATHER . . . . .	68
M. P. GRACE AND HIS GUESTS . . . . .	68
LORD ROTHSCHILD . . . . .	70
CHARLES H. SANFORD . . . . .	76
HERBERT WARD . . . . .	76
CHARLES SANFORD WARD . . . . .	76
CAPTAIN ERICSSON . . . . .	86
NAT HERRESHOFF . . . . .	86
TORPEDO BOAT OF 1878 . . . . .	86
OVERTHROW BRAZILIAN MONARCHY . . . . .	88
"EL CID"—"NICTEROY"—"BUFFALO" . . . . .	92
COLLIS P. HUNTINGTON . . . . .	92
ZALINSKI DYNAMITE GUN . . . . .	92
THEODORE ROOSEVELT . . . . .	102
CHAUNCEY M. DEPEW . . . . .	112
FREDERICK W. HINRICHS . . . . .	116
WILLIAM M. IVINS . . . . .	116
MADAME BLAVATSKY . . . . .	128
WILLIAM EDWARD SANFORD FALES . . . . .	128
SLOOP YACHT "GRACIE" A WINNER . . . . .	138
STEAM YACHT "ARROW" . . . . .	144



# ILLUSTRATIONS

xv

	PAGE
COUNTESS CASSINI . . . . .	146
DEPARTURE OF RUSSIAN PEACE COMMISSION . .	146
INTERNATIONAL AMERICAN CONFERENCE DELEGATES .	148
PAN-AMERICAN BUILDING . . . . .	148
WILLIAM HENRY TRESPOT . . . . .	150
MANUEL QUINTANA . . . . .	150
MATIAS ROMERO . . . . .	150
THE AUTHOR . . . . .	150
COBB AND BOB DAVIS—CAMOUFLAGE . . . .	162
AUTHOR "FLY FISHING" . . . . .	164
LETTER FROM PRESIDENT ROOSEVELT . . . .	164
TROUT FISHING IN BROOK . . . . .	166
KANG YU WEI AND DAUGHTER AT SOUTH SIDE CLUB .	166
SALMON FISHING IN FINLAND . . . . .	168
SPECIAL MESSENGER OF THE KING OF ENGLAND . .	168
CHARLES M. SCHWAB . . . . .	172
JAMES G. BLAINE . . . . .	174
DR. SALVADOR DE MENDONÇA . . . . .	176
T. JEFFERSON COOLIDGE . . . . .	176
ANDREW CARNEGIE . . . . .	176
CORNELIUS N. BLISS . . . . .	176
JAPANESE AMBASSADOR KURINO . . . . .	180
"FAILING IN DIPLOMACY"—WAR . . . . .	180
PRESIDENT MCKINLEY . . . . .	182
SECRETARY OF THE NAVY LONG . . . . .	182
FACSIMILE LETTER, JAMES GORDON BENNETT . .	192

	PAGE
J. PIERPONT MORGAN . . . . .	194
J. PIERPONT MORGAN, JUNIOR . . . . .	194
GRAND DUKE BORIS . . . . .	196
GRAND DUKE CYRIL . . . . .	196
SIMON LAKE . . . . .	198
SUBMARINE "PROTECTOR" PLAN . . . . .	198
LOADING ON CAR FOR VLADIVOSTOK . . . . .	198
SULTAN OF MOROCCO . . . . .	204
CHEVALIER LANGERMAN . . . . .	204
AMBASSADOR SIR CHARLES HARDINGE . . . . .	204
CZAR NICHOLAS II . . . . .	206
DRAGOMAN GARGUILO . . . . .	216
SAID BEY FROM SULTAN OF TURKEY . . . . .	216
AUTHOR AND BROUSSIOFF WRITING WIRE TO SULTAN	216
RUSSIAN PEACE COMMISSIONERS LANDING AT NEW YORK . . . . .	220
SERGIUS WITTE . . . . .	220
BARON ROMAN ROSEN . . . . .	220
MELVILLE E. STONE . . . . .	226
JOSEPH H. CHOATE . . . . .	228
PROFESSOR PAUL MILIUKOV . . . . .	230
PRINCE GEORG LVOFF . . . . .	230
ELIHU ROOT . . . . .	234
SAMUEL GOMPERS . . . . .	236
LADY JANE TAYLOR . . . . .	246
MINISTER OF STATE FOR WAR HALDANE . . . . .	246

# ILLUSTRATIONS

xvii

	PAGE
AEROPLANE—"KING OF SPAIN" . . . . .	248
WILBUR WRIGHT . . . . .	248
ORVILLE WRIGHT . . . . .	248
SAMUEL J. TILDEN . . . . .	254
GROVER CLEVELAND . . . . .	262
JAMES J. HILL . . . . .	262
JAMES STILLMAN . . . . .	262
WILLIAM R. TRAVERS . . . . .	262
HENRY WARD BEECHER . . . . .	266
FRANKLIN J. MOSES . . . . .	266
KANG YU WEI "MODERN SAGE OF CHINA" . . . . .	276
CHINESE MINISTER SIR CHENTUNG LEUNG CHENG . . . . .	280
JUDGE JOHN BASSETT MOORE . . . . .	280
DEPEW TRIUMPHANT . . . . .	280
PRINCE PU LUN . . . . .	284
PRINCE TSAI TAO . . . . .	284
EDWARD H. HARRIMAN . . . . .	284
DR. WU TING FANG . . . . .	284
MARK HANNA . . . . .	286
HENRY B. HYDE . . . . .	286
LEOPOLD II OF BELGIUM . . . . .	286
THOMAS A. EDISON . . . . .	296
J. PIERPONT MORGAN . . . . .	308
WILLIAM ROCKEFELLER . . . . .	308
ANDREW CARNEGIE . . . . .	308
JOHN W. GATES . . . . .	308

	PAGE
AUGUST BELMONT . . . . .	308
HENRY C. FRICK . . . . .	308
CHARLES M. SCHWAB . . . . .	308
THE AUTHOR . . . . .	308
COMPOSITE PHOTOGRAPH OF INDUSTRIAL ORGANIZERS .	308
THOMAS J. WATSON . . . . .	312
JOHN D. ROCKEFELLER . . . . .	316
HENRY FORD . . . . .	316



# MEMORIES OF AN ACTIVE LIFE

Men and Ships and Sealing-Wax



# Memories of an Active Life

## CHAPTER I

### THE BEGINNINGS

It has been said, perhaps too frequently, that a rolling stone gathers no moss. But I have never heard anyone speak about the fun the rolling stone has a-rolling. In my fifty-two years as a principal in business I have, perhaps, been a rolling stone. During the same time, however, I have, now and again, garnered fairly considerable quantities of moss, and I think that in its gathering I have experienced somewhat more than the usual amount of adventure, afloat on the Seven Seas, ashore on all the Continents, and in many of the great chancelleries and banking houses of the world, as well as through many, many less distinguished avenues of trade and diplomacy—in war and in peace, in commerce and in sport.

I am not a rich man today and I do not pretend to be: perhaps if I had not been somewhat of a pioneer in so many fields I should be the richer. To stick always to one thing and to do that superlatively well is the way to amass money. Whether or not it is the way to get the most out of life I do not know—because I have never tried it.

## 4 MEMORIES OF AN ACTIVE LIFE

Indeed, I gave up a substantial partnership interest in the largest exporting house in the country because I preferred to preserve my own individuality. But this is not an argument—it is the story of many happenings, the story of one who is by instinct a trader.

Trading came to me as a heritage. My father, Benjamin Flint, was a builder and managing-owner of ships that sailed out of Thomaston, Maine, in the good old clipper days when an American sailing vessel could show its heels to anything afloat, and when the Yankee trade had nosed its way into every port of the world. So it has always seemed natural to me to have to do with ships, and to buy and sell across the water. And it was in keeping with this youthful proclivity that my first job in the earlier years of my business life should be concerned with ships.

I was born January 24, 1850, in Thomaston. My mother, whose maiden name was Sarah Tobey, died when I was four years old. For three years I was pampered by my grandfather Flint, by my grandmother Tobey, and by my devoted father who married again when I was seven years of age. After that I had the influence and guidance of a sincere and intelligent stepmother, to whom I became very much attached.

I am descended from Thomas Flint who came from Wales to the shipbuilding town of Salem in 1642. My grandfathers were in the fight at Bunker Hill and a great-uncle of mine, a surgeon, attended General Warren when that soldier died on the field. My great grandfather, Thomas Flint—some of whose belongings I treasured as a boy—was captured by the British when he was serving



Isaac Flint Chapman



Charles Ranlett Flint



Benjamin Flint





as a surgeon on board an American privateer. He received a grant of land in Maine (then Massachusetts) for his services. One of the forbears of our family was Sir Robert Chapman of Virginia. My people were shipbuilders, managing owners, captains or mates of sailing vessels. The height of ambition of each of my schoolmates was to put his cap over the main truck (the top of the highest mast) of a big sailing ship. But I dreamed that I might some day be a charterer of ships while they were sailing them.

In 1837, my father and uncle organized the firm of Chapman & Flint, Chapman being the name of the father and Flint the maiden name of the mother of the two partners. In this connection it may be explained that my father had been adopted by his uncle, Benjamin Flint, who had no children, and at the age of twenty-one he had taken the name of Flint by Act of the Maine Legislature. For over thirty years these two brothers had an absolute identity of interest in business, drawing expenses from a common fund without keeping individual accounts. They opened an account with Baring Brothers of London which has never been discontinued. They lived as nearly alike as possible. At Thomaston they bought two adjoining plots of the same size and contracted to build houses alike, but feeling that, as managing owners of ships, they could do better in New York, they moved to Brooklyn and there rented two adjoining brick houses. Subsequently they purchased two adjoining brownstone houses, also exactly alike.

But later, when they bought two lots on Brooklyn Heights, their equality plans struck a snag, for one of

the houses that they proposed to build would have to be on the corner. However, they found a way out. At that time the Confederate privateer *Alabama* was burning American merchant vessels as fast as she could overhaul them on the high seas, and as a result Edward O'Brien of Thomaston, Maine (who was afterwards the largest individual ship owner in the United States) had idle money—for he could not then wisely invest it in ships. My father and uncle convinced him that he might put it into a cargo of real estate, and so the three joined in building the block of houses which now forms one side of Montague Terrace. Under this agreement my uncle and father each had corner houses, residences which are still occupied by members of the families. One contract was made for decorating and furnishing the two houses alike, and purchases of supplies were made from day to day from the same shopkeepers. My father had two boys and my uncle two girls. But when one of my uncle's daughters married it was not practical to continue on the basis of equality, so the names of the different ships were put in a hat and drawn out by lot, the property was divided, and my uncle took his son-in-law into partnership.

I attended public school in my native town and in Brooklyn, and studied at the Warren Johnson boarding school at Topsham, Maine. At fifteen years of age I entered the Brooklyn Polytechnic, from which I was graduated in 1868, becoming president of my class and of the alumni. My father offered me an opportunity to go to college; but I was told at the Polytechnic that by taking

the Liberal Course I could secure all the advantages of a college education except a knowledge of the classics, and I thought I was very practical when I decided against them. After years of experience I deeply regretted that I did not give the greater part of my time to the study of the English language and the classics; for a mastery over language is one of the most valuable possessions that a man can have. We think in words, and with words we shape the thoughts of others; words are coins that pass universally current, and the man who has many words at his command is rich.

Following my graduation I spent two months exploring the Maine woods with two young friends, but without a guide—which is somewhat of an adventure for a boy of eighteen. After that I was ready for business. Business, however, was not ready for me. I wanted an office position, which was hard to find, especially for a boy without experience. I made the rounds of practically every shipping office in New York without getting a place. Finally I decided that if no one would hire me, there was nothing to do but to hire myself. So I became my own employer, not by virtue of any experience, but simply because I could find no other employer. The process was not elaborate. I had some business cards printed on which I declared myself as a dock clerk. A dock clerk assumes the responsibility of measuring, receiving, and delivering cargoes of vessels, and it is a considerable responsibility, especially then when thieving from the wharves was practically a profession. I received for my services as dock clerk four dollars per day, which compared favorably with

an office salary at a time when beginners were paid about four dollars a week. During my career on the docks I delivered several cargoes of wine and learned the extent of human ingenuity when it is turned to the acquisition of alcohol. For the hangers-on and wharf-rats were marvelously skilled in the stealing of wine. I caught them in all sorts of tricks. One man contrived a tin-lined coat. He would stand, perhaps talking with someone, while a rubber tube was siphoning his tin-lined coat full of wine from a nearby cask. Others, not so elaborately equipped, had single containers with long tubes and drew up the wine by deep breathing; while a few operated on a wholesale scale by boring up through the wharf.

William R. Grace, who later became mayor of New York for two terms, and who was then a member of the firm of Bryce, Grace & Co., of Peru, had opened an office in New York, as shipping agent and merchant. He was an international trader, as the Grace firm is today. I wanted a place with him, but I had by that time learned that places were not to be had merely for the asking and I knew that I should have to find some out-of-the-ordinary way of making application. So it was not entirely by accident that I met Mr. Grace on a ferry boat, where I told him that I wanted to work for him, and that I was willing to serve him without salary, until he could determine whether I was worth anything and, if so, how much. This sounds like a larger concession than it actually was, for if he had hired me in the regular way, my salary, or rather my wage, would have been quite near to nothing anyway. They did not pay inexperienced youths of nineteen very much in



those days. At all events Mr. Grace took me at my word and gave me a position.

All of my people were engaged in shipping, so I had considerable knowledge of the building, loading, chartering, and management of ships, and my dock clerk experience was also in the line of preparation for the shipping export and import business. Mr. Grace, being satisfied that his father-in-law, Capt. George W. Gilchrist, and I should be able to run the business during his absence, went abroad. On his return in the spring of 1871 I informed him that I had arranged to go into the ship chandlery business in partnership with his father-in-law, and the firm of Gilchrist, Flint & Co., was organized. About that time a dentist, who had been practicing in Chile, arrived in New York, having put most of his earnings into the ship *Jeremiah Thompson*, consigned to Mr. Grace. Although I had no intimate acquaintance with him, he advanced the funds necessary to start me going, and it was lucky for him that he did, for the banking firm where he had deposited his money failed shortly afterward.

After ten months in the ship chandlery business, in which we were successful, Capt. Gilchrist said to me: "Mr. Grace wants you to join him in organizing the firm of W. R. Grace & Co., and as this will give you big business opportunities, I am willing to release you from our co-partnership agreement."

The firm of W. R. Grace & Co. was promptly formed, in which, as a partner, I had a 25% interest which was afterwards increased to 35%.

We did a general shipping and commission business,

largely with Bryce, Grace & Co., of Callao, Peru; continued the line of sailing ships to the West Coast of South America and, as ship-brokers, chartered vessels to bring back Peruvian guano and nitrate of soda. The export, import and shipping business was very interesting and enjoyable but not easy to conduct, as many Americans found out who rushed into it immediately after the world war. To make up for my inexperience I worked from half past seven in the morning until about eleven o'clock at night when the last Wall Street Ferry boat left for its slip in front of my home on Brooklyn Heights.

## CHAPTER II

### THE OLD SHIPS AND THE OLD SEA

THOMASTON, Maine, had been building vessels since 1787. Our old men were libraries of sea lore. They told me, when I was but a boy, of the slave trade and the sea rovers—of what going down to the sea in ships meant in the old days. I well remember the small arsenals carried by our vessels in the sixties and how the merchant ships had gun ports painted on their sides to make them look like men-of-war that they might frighten away Chinese and Malay pirates.

My father, a practical ship-builder, wanted me to know about vessels. It was his custom, when I was still a boy, to walk with me from wharf to wharf along the New York water fronts, and, by going to different sections each week, we managed to inspect almost every vessel in New York harbor. In these days the water front glistened with bright-varnished masts, spars, and a long line of bowsprits with rigged out jib-booms that reached nearly across South Street. My father would point out to me the difference in models, comment on the rigging, and call attention to inferior construction. We were particularly interested in the clipper ships and were welcomed on board them by

their officers. In the course of several years we boarded the *Swallow*, *Dreadnaught*, *Comet*, *Flying Cloud*, *White Squall*, *Reindeer*, *Shooting Star*, *Witch of the Wave*, *Sea Witch*, *Northern Light*, *Harvey Birch*, and *Lightning*. These names reflected the qualities of the ships, as the names of the first New England craft—*The Gift of God* and *The Blessing of the Bay*—reflected the religious sentiments of our Puritan forefathers.

My father and uncle named their ships after the saints: *St. Mark*, *St. Lucy*, *St. John*, *St. Nicholas*, *St. James*, *St. Francis*, *St. David*, *St. Stephen*, *Santa Clara*, and *St. Paul*; and after their record had been unmarked by an accident for many years, they stopped carrying insurance. But when they named one of their ships the *W. R. Grace*, she went ashore after anchoring inside the Delaware Breakwater and was a total loss, while the ship *Charles R. Flint*, bound to Japan with a cargo of oil, burned to the water-line off the coast of Brazil!

When I was a boy, America led the world in fast ocean transportation. The famous clipper ships sailed around Cape Horn for California, and the *Andrew Jackson* made the record voyage from New York to San Francisco in 89 days and 4 hours, an average sailing voyage taking 120 days. The "Tea Clippers" sailed around the Cape of Good Hope for India and China. The packet ships carried passengers and fast freight across the Atlantic, the most celebrated of these being the vessels of the Black Ball Liverpool Packet Line. They were notorious for their brutal discipline,—a record of which has been preserved in the chorus of a sailor's "chantey":

CLIPPER SHIPS



*Flying Cloud*



*Young America*





## THE OLD SHIPS AND THE OLD SEA 13

"It was on a black baller I first went to sea,  
Yo, ho, knock a man down.  
It was larboard and starboard, get aft to the poop  
And I'll help you along with the toe of my boot,  
Yo, ho, knock a man down."

Heavy bets were made on the passages of these clippers. When Chapman & Flint first commenced ship-building in 1837 there was a race among twelve packet ships from New York to Liverpool, the *George Washington* and the *Sheffield* making the passage in seventeen days.

While we built superior clipper ships with sharp bows, clean runs, and unprecedented sail area, our success was due even more to men than to design. The American clipper ship captains were the most daring, and their crews were under the most perfect control, that the world had ever known. I was acquainted with many of them. In 1893, when fitting out the "Dynamite Fleet" for Brazil, I wanted a "Grand Admiral" and secured the services of Captain Baker—who embodied my idea of a typical viking—of the clipper ship *Young America*. I did not ask him for credentials for courage, because of a generally known experience he had had when two days out of Liverpool. On that occasion his crew mutinied and came charging aft to kill him. Having no time to get his pistol, he seized an axe, and in a short struggle killed five of the men. The others surrendered. The ship returned to Liverpool, and the Court praised Captain Baker for the courageous way in which he had protected the property of which he was the custodian.

On board the clipper ships everything was sacrificed to

speed. The right moment to shorten the light sails, the top gallants, royals and sky sails was when "they took themselves in," and new sails were in reserve to replace those that were thus blown away. When there was a gale that would send the crews of ordinary ships clambering to reef their canvas, the captain of an American clipper would have all sails set. He took great risks but he commanded the confidence of all on board. When there was a gale he paced the deck the whole night long and caught his sleep by day in short naps under the weather rail. He had the halyards of the important sails made of chains and locked, in order to provide against some sailor becoming desperately frightened and cutting them away. Generally people become reconciled to the dangers they know but fear the dangers they know not. Two old salts in a gale were once cuddled up under some canvas sheltered by the top gallant forecastle.

"Bob," said one sailor, "this is the most terrible night I have ever been at sea."

"Yes, Jack," agreed the other. "It's an awful gale, but I'm glad we're not in London where one of them chimney pots might be blown down and kill us."

In a gale a sailor might rest for a few moments, but the clipper ship captain was always alert. When he shouted an order the crew ran to obey or a mate would knock them across the deck with a belaying pin. Although the treatment of these crews seems brutal, everyone on board was intensely interested that "his ship"—on which he was generally betting—should beat its rivals and make the record run; and before the sailors came on board

they knew, if sober, what to expect. It was an aphorism of the sea that "you had the best treatment and worst grub on a Norwegian ship, and the best grub and the worst treatment on a Yankee."

Very often the captain of an ordinary sailing ship, in a gale with sails reefed, would see way behind him a white speck on the horizon, watch it grow until it came up and passed him—a splendid ship with "every sail set," flinging the Stars and Stripes to the wind as she went roaring by—and then gaze after her until she disappeared miles ahead of him.

It was a very picturesque age and it is not surprising that it should have been commemorated in poetry and song. One of the most celebrated of these songs, chanted by the sailors of the *Dreadnaught*, commanded by Captain Samuels, described an entire cruise of the vessel and ended with a description of her entering her home port:

"And now she's a-howling down the Long Island Shore,  
The pilot's aboard her, as he's oft been before.  
With st'n sails and stay sails aloft and below  
She's a wild Yankee clipper; good God, let her go!"

This chapter would not be complete if I failed to write of the courageous women who often accompanied their captain husbands on long sea voyages. One of our captains after leaving an infected port off the west coast of Mexico became so ill that he could not sail his ship, whereupon his wife took charge and the voyage was completed under her command.

A striking example of courage and presence of mind was

the case of the wife of Captain Baker, commanding an American bark that was transporting Jamaica negroes who were to work on the French Panama Canal. The bark was at anchor off the town of Colon. The Captain went on shore leaving his wife alone in the cabin. There were five hundred negroes on board, and just before dusk they mutinied. Mrs. Baker from a cabin window saw the fight going on between the negroes and the crew, but instead of being demoralized by the fact that the negroes, owing to their greater numbers, would soon overpower the crew and rush aft to break down the cabin doors, she reached out of one of the cabin windows, took the signal halyards off the mizzen pin band, bent on and hoisted from the inside of the cabin the signal "MUTINY ON BOARD." The American flagship *Tennessee* immediately responded and put down the mutiny just as the negroes were entering the cabin.

The advent of passenger mail and fast freight steamships was the death knell of the clipper ship. A new type of sailing ship was then inaugurated: a freight carrier modeled for large cargo capacity and economic speed. Chapman & Flint retained Naval Constructor Pook to design their ships and they were the first to build an elliptical stern, which afterwards generally superseded the round stern throughout the world. These American freight carriers, commanded by part owners, were for years the most successful in ocean freight transportation.

In 1860, when the English entered the Forbidden City, one of our ships, the *Frank Flint*, took British officers and sailors to Tientsin. At that time I was ten years old,





Packet Ship *Montezuma* of The Black Ball Liverpool Line



One of the "Saints" of Large Cargo Capacity and Economic Speed.





and I well remember that the captain brought back to me Chinese bow guns which the English had taken from Celestial forts. My mother received many presents of patterns of silk from warehouses in the Forbidden City, where there was stored a sample of every pattern that was produced in China from year to year. Lord John Hay, who was in command of H. M. S. *Odin*, went with his senior officers up to Peking on the occasion of the British entering the Forbidden City. They found the palace deserted and the little Pekinese dogs forgotten. Lord John picked up a pair and brought them home. That is how that fashionable breed came into England.

Of the members of my family that followed the sea, I first bring to mind my uncle, Captain William Tobey—kindly, fair-minded and possessed of excellent judgment. When he paid off his sailors after a long voyage he would send for me to assist him. The sailors were admitted to his stateroom one by one. They never saw his big pile of bills, but, in case of a run on the bank, I knew that he had an arm which would command respect and a grip that held fast anything that it got hold of. Like many kindly, just men, he was firm and courageous when patience ceased to be a virtue.

My uncle, Captain James Chapman, was over six feet tall, of powerful frame, and had acquired the manly art as a mate in the Forties. Most people said "he would rather fight than eat," but that was not so. He did not have to fight!

I remember one moonlight night when I went down the bay with him on his ship *St. John*—one of the largest of

American sailing ships. He kept the tug alongside so that I could see the mates choose sailors for their watches, which they did alternately one by one. On the deck immediately in front of the cabin, the top of which served as a bridge, the first mate's watch lined up on the starboard, and the second mate's watch on the port side. As soon as the first mate reported that the watches were complete, my Uncle James stepped to the rail and made this speech: "Boys, there are two ways aboard this ship, a smooth way and a rough way. If you take the smooth way, it will be very smooth; and if you choose the rough way, it will be damned rough!"

Then, instead of waiting for applause, he ended the speech abruptly with the command: "That'll do, the watch below!" I never heard of an instance when the "rough way" was chosen.

During our Civil War, my uncle met Captain Raphael Semmes of the Confederate privateer *Alabama* at Gibraltar and they became quite intimate. One night after playing poker on board ship till the wee small hours, he said to Semmes: "All I have for the support of my family is a master's interest in this ship which I cannot afford to insure; I am interested to know what you will do if you happen to sight my ship out on the ocean."

Semmes did not hesitate. He told my uncle that as captain of the *Alabama* it was his duty to burn every Northern vessel that he could overhaul, and that no exception would be made. This logic, though disagreeable, was silently accepted by my uncle. But he did not get caught.

This uncle of mine was a typical American shipmaster,

equal to any situation that might arise. In cases of accident to his ship he would read up on general average, and in case of sickness or accident, on medicine or surgery. I remember a time when most of his crew deserted at Acapulco. Sailors were unobtainable, so he did the unprecedented. He bought two ponies to swing the yards and hoist the sails. At the Chincha Islands the ponies hoisted a full cargo of guano, and hauled braces and hal-yards until the ship got to Callao, where the captain, having sold the ponies at a profit, shipped a full crew to round Cape Horn for home.

During the winters the sailing ships of Maine generally went to southern ports—Galveston, New Orleans, Mobile, Savannah or Charleston—to load cotton for the United Kingdom or the Continent. The captains, who were joint owners, were intelligent men of world knowledge and experience. They and the managing owners, who also went south, were entertained by many southern families of distinction. Consequently there existed in my native town a sentiment which I can best describe in connection with a mention of the honor paid to me by the faculty of the University of Georgia, when they came to the home of my host, Dr. Harry Hodgson, a trustee of the University, to take part in the celebration of my 67th birthday. They asked me to talk about Russia, having heard that I had been there ten times during the Russo-Japanese War. I took advantage of an opening to inquire if there were any member of the faculty who had ever heard of a New England town composed largely of southern sympathizers. They replied that they had never either heard or read of

one. I told them that I could name one—my birthplace, Thomaston, Maine; and I accounted for it by the intimate friendships which had been formed under the genial influence of southern hospitality, than which there is none more charming.

And I added: "Now that I am revelling in the hospitality of Georgia, my only surprise is that my townsmen, in spite of their sentiments for 'The Union now and forever, one and inseparable,' and the burning of their ships by the privateer *Alabama*, were not tempted to enlist in the Confederate service!"

The depredations of the *Alabama* and other Confederate privateers were a great blow to American shipping, and from that time dates the passing of leadership in ocean transportation from America to Europe. There were many reasons why this transfer of primacy took place, the principal one being the supplanting of wood by iron and steel. The rating of steel ships was high, so insurance rates on ships and cargoes were low; also crews were obtainable at lower wages. As the Europeans succeeded, they developed great intelligence in the modeling and management of tonnage. And, at the same time, American capital was diverted from the sea by the alluring profits of railroad development and other domestic exploitation.

To stem this natural turn in the tide, subsidies were sought. "Hurrah for the old flag and an appropriation." The slogan "Trade follows the Flag," was popularized. Whereas every merchant really knows that "Trade follows the price," C. I. F. (cost, insurance, and freight) with no mention of the flag.



## THE OLD SHIPS AND THE OLD SEA 21

The Morgan syndicates, furthering the consolidation of home industries, had been continuously successful for a long period of years, but when Morgan ventured outside of the wall of protection, and organized the International Mercantile Marine, it was unsuccessful until the war boomed the enterprise as it did many others. The ocean carrying trade in normal times is a hard business requiring special knowledge and long experience, as mushroom ship-owners of the war days discovered when war freights became a thing of the past.

The Flints had the second largest fleet of sailing vessels under the American flag; but, realizing that sailing ships could not compete with steamers of large carrying capacity and moderate speed, they sold their sailing ships in California for use in the lumber and coal trade.

Flint & Co.—a firm composed of my father, my brother Wallace and myself—ran a line of sailing vessels from New York to San Diego, San Francisco, and Seattle. In competition was a line run by George Dearborn. Finally the Flints and Dearborns united: Flint, Dearborn & Co. was organized, and also the American and Hawaiian Steamship Company, of which Captain Burnham, who had been in the Flint employ for twenty years, became the port captain. The shareholders of this corporation realized over 500% profit on their investment,—the most successful American steamship company ever organized.



## CHAPTER III

### HEALTH

*"These are the things I prize  
And hold of dearest worth:  
Light of the Sapphire Skies,  
Shelter of the forests, waters bright and clear.  
Music of birds, murmur of little rills,  
The smell of flowers  
And of the good brown earth,  
And best of all, along the way, friendship and mirth."*

VAN DYKE.

OWING to my activities as a principal in important business, I began to be taken seriously, so I commenced to take myself seriously. To use an expression from my native state, I began to look around the horizon. I told myself that if I wanted to be a success, to see the world and know the best people in it, and to be in the heart of big things, I must have physical as well as intellectual vigor. I might know much of business and of its great opportunities, but all this knowledge would count for little if I was lacking in the one great essential—good health, and the efficiency which it brings. I knew that I must learn to deny myself many of the things in which my companions indulged; that I must learn to keep that wonderful machine, my body, in condition.

Although I have spent much of my time in the company of smokers—sailors, Latin-Americans, and sportsmen—I decided early not to smoke, and I never have smoked, being satisfied that the practice is injurious to the health.

Believing, too, that I could accomplish more in the long run by working on my natural energy, I decided to take no stimulants for the purpose of increasing mental activity, except on special occasions. By not regularly drinking tea and coffee, I found them the more effective mental stimulants when I did take them, so I resolved (and during my whole life I have lived up to that resolve) not to drink tea or coffee except in enervating climates—as on the Amazon and in Peru—or when I was satisfied that it was better to employ them as a nerve stimulant rather than to force tired nature to “pump sand.” I would drink tea and coffee when working continuously, day and night, in organizing industrial consolidations, when the work of months had to be rounded up. When I was granted an audience by Nicholas II at Peterhoff, I felt that I must be at my best, so I ordered tea and coffee and drank freely of both,—and I felt at ease with the Czar of all the Russias!

I have enjoyed mixing in the flowing bowl of genial good fellowship; but I have never drunk cocktails, believing them to be injurious to health. When Prince Kovdacheff of the Russian Embassy insisted that I should drink one with his party at the Metropolitan Club in Washington, I acceded. However, that cocktail, served with the others, was nothing but orange juice. In this

manner neither good fellowship nor health was endangered, and I secretly arranged for the same kind of orange juice cocktails to be served to me at my New York clubs.

My temperance was a subject of much jocularly among fellow clubmen, so later when I entered a club on crutches, because of the gout, the members, never having heard of poorman's gout, were moved to words.

"If Flint's got the gout," exclaimed a wit, "why not take to drink?"

In deciding how to get the most pleasure and benefit from healthful recreation, I concluded that sport in the open air, in company with genial friends, is much more conducive to health than indoor exercise with dumbbells and Indian clubs, so I decided to take up as large a variety of healthful outdoor sports as possible.

I bought a span of fast trotting horses and the lightest of buggies, in which I would take some friend off for a week-end trip. Horses made life in the open air healthy and enjoyable. I began to ride, and at one time owned the thoroughbred "Diplomat," half brother to the famous American and Derby race winners, "Parole" and "Iroquois." At various times I have taken up skating, swimming, and golf.

During February and March of each year, when the season was closed for shooting and fishing, I went fox hunting in company with an Irish enthusiast named Donoughue, who had owned the steeplechaser "Spendthrift." We would be joined by owners of hounds, whose dogs, with those I owned, made a pack. Not desiring to take the chance of ending my career on or over a fence,



Skating on Daniel Webster Pond



Morgan Blydenburgh Estate



My Saddle Horse "Janie Rex"





I ran foxes on Long Island, near Lake Ronkonkoma, where, due to my knowledge of the woods, roads, and openings through bent over scrub-oak fences, I was able to follow the hounds without high jumping. However, I gained sufficient experience in this sport to realize that with a fox in front, a pack of hounds in full cry, with rival hunters in the rear, and an ambition to be first "in at the death," one will take frightful chances. But to that temptation I never dared to subject myself.

I joined the most important rowing club in Brooklyn, the "Nereid," becoming its president. I rowed quite regularly down the bay and enjoyed week-end trips in our eight oared barge to the Palisades and Perth Amboy. But I never went in for violent athletics, and I did not row in the many races that I initiated.

The activities of the "Nereid" Club continued after the rowing season closed, including in the program boxing by amateurs and professionals. Then, too, many of our members who had musical talent sang in choruses at the boat house, and we set the pace for the professionals by giving, at the Brooklyn Academy of Music, the first mammoth minstrels.

I remember that one of the end men, Alden Swan, who was a prominent merchant, asked: "Why, is the Nereid Boat Club like an Indian arrow?"

"Because," answered the other end man, Harry Hatch, "it has a Flint at the head of it."

Later we gave a burlesque of "Shylock" at the Academy of Music, which was a great success. Incidentally, one of our ballet dancers in that burlesque is now the



vice president of one of the largest railroad systems in this country.

I found that a life in the woods, absorbed in shooting, was the best method of recuperation after an illness. Three years ago I spent some hours in sleet and rain in a blind, waiting for ducks. Being unable to take any exercise—which would have frightened the oncoming birds—the result was a cold and I to bed! After pills and powders, I asked Doctor (of letters) Irvin S. Cobb to come to my bedside. I said to him: “The doctor of medicine will get me out of bed, but he will not cure me; will you write me a prescription?”

Cobb asked for a telegraph blank and in his usual happy vein consigned me to southern hospitality at its best—the Hodgsons of the university town of Athens, Georgia. I took my three sporting dogs and a buoyant young companion. In four weeks I returned to New York in full vigor.

Much of the hygiene I refer to in this volume, it may be said, is available only to those who have considerable means. But it is true, too, that they are more in need of the “god of the Open Air” than those who are content in a smaller field of activity.

In connection with preserving one's health it is very essential that one should get the advice of the best experts, but I well remember that when I accompanied the senior Dr. Flint to Greystone to see Samuel J. Tilden, the Doctor remarked, “Never consult a specialist except in company with a general practitioner.” As to how to get the best specialist, I will simply refer to a method which I adopted

when it was exceedingly important to have a consultant come in for a member of my family. It is a creditable quality to favor one's friends, but as this case was a very serious one to me, I wanted a selection made simply with regard to the highest efficiency. I telephoned ten friends and asked each to get from his family physician the names of the five best specialists in the line I wanted. It seemed to me that in naming five specialists each doctor would be sure to name one or more of the best. The resulting list was scattering, but everyone of the informants named Dr. McKernon, whom I retained.

At a dinner which I once gave at my home, there were present among my fifteen guests an officer of the New York Life Insurance Co., Dr. Ward, Vice President of the Prudential, and Paul Morton, President of the Equitable. In the course of the conversation I remarked that many of their agents had called on me, but that not one of them had ever presented the strongest argument in favor of life insurance. At this the three insurance men expressed incredulity and asked me what I meant. So I told them the following anecdote.

On a mission to St. Petersburg I was taken ill, and although I had intimate relations with high officials and other men of distinction in the city, there was no one whom I could ask to recommend a physician. I was in immediate need of one, so I wrote to Mr. Corse the agent, of the New York Life Insurance Co., as follows: "You have \$200,000 on my life. I'm sick. Send a physician at once and save your money."

I was never cured so quickly.

I later told this story to Mr. Kingsley, president of the New York Life Insurance Co., and he included a full account of the incident in one of his company's recent publications.

Although I have led a strenuous life, having had many worries and having seen times when health reserves had to take the place of bank reserves, I am active in business at seventy-three years of age. Afternoons I get into the saddle, and during week-ends I go shooting or fishing. When I recently consulted a physician regarding a friend of mine, I asked him whether a setting-up exercise which I take every morning would not be good for him.

"No," said the doctor, it is too vigorous."

I replied that I didn't find it so.

"You're different," said he. "At the Judgment Day you will have to be shot."



"Biamilsite"



Literature Let Loose on Long Island

The Editor, Robert H. Davis; the Dramatist, Owen Davis; the Writer, Irvin S. Cobb





## CHAPTER IV

### HUNTING AND SHOOTING AROUND THE WORLD

WHEN the fairies were passing out gifts at my birth, one of the things they bestowed on me was the instincts of a sportsman, and the first thing that I can remember ever wanting badly was a gun. I wanted it so badly that I determined to acquire one for myself, and the result of this determination was that, in some way, I got hold of an old horse pistol. It was a treasure to be kept from the eyes of the family, so I hid it. One day, while strolling about the town of Topsham, where my father and I were visiting my grandfather, I met a youth much older than myself, who was proudly carrying a shotgun. I began to persuade him how much finer and more valuable was my horse pistol than his shotgun. The upshot of it was that before long I was trailing off with the gun, having left my old pistol and fifty cents with the other boy. I started for my grandfather's house by a back street with the idea of hiding my new acquisition in the barn, when my father, whom I had not seen, hailed me from the porch of a house where he had been invited to dinner.

"Charles," he called out, "what are you going to do with that gun?"



Of course I was not allowed to keep it, but I do think he was just a little pleased when he found how I had traded for it.

As a recompense, he allowed me to shoot when I was accompanied by my uncle. I finally persuaded my father that the gun I had was not altogether safe. I argued that now that I was eleven years of age, I could be trusted with a new gun. The idea of safety appealed to him and he ordered for me a single-barreled gun from a relative in Scotland.

After this I remained at the Topsham boarding school for four years. I was not an earnest student, but all the conditions there were most favorable for a boy with sporting tastes. Within sight of the school house, there were woods with partridges and rabbits; and while most of my fellow-students went to the adjoining town of Brunswick to enjoy social life, I went to the woods. Many were the happy days that I spent on the rivers flowing into Merry Meeting Bay, particularly the Androscoggin,

“Winding through the meadows green,  
So near and yet unseen.”

In order to be on the spot at daylight during the ducking season, I slept nights in barns on the marshes. In winter I would sit under the yellow birches waiting for partridges to pick off the buds. Later I reached the point of supreme satisfaction for a sportsman, when I did not have to sit still and wait for birds to settle down, but could shoot them on the wing. Soon I knew all of the game birds and became familiar with their habits.



Rear Admiral Sir Guy Gaunt, M.P.



Entrance to Battle Abbey Estate  
Where there is Excellent Partridge Shooting



After the shooting season was over, still desiring to be in the woods, I became very much interested in acquiring a knowledge of all kinds of birds, and made a collection of fifty-three kinds of birds' eggs, never taking more than one from each nest. I became intensely interested in ornithology, and read Wilson and others. When I spent a day in Boston, on my way home for vacation, instead of going to the theatre or the museum, I would go to the Boston Library and devote the entire day to enjoying Audubon's plates, which, even in those early days, were rare and costly.

As I look back on my boyhood, I no more regret my life in the woods and on the rivers of Maine than Roosevelt regretted his life on a ranch. In fact, if happiness be the chief end of man, I consider my woods life as having been more profitable than any amount of industry as a student could have been.

Sundays, of course, I could not shoot. I went twice to church and once to Sunday School. Looking around for relief, I finally obtained the job of blowing the organ. I received no money for this task and was not entitled to any; but there were full compensations. When I was not furnishing wind for the organist, I was reading Beadle's Dime Novels, and I must confess, with due humility, that when I think of the happy days I have had in life, I place among the best those spent in the Rocky Mountains with Little Pawnee Chief, Yellowstone Jack, and our cook, "Dollar Bill," living those organ-loft dreams of my boyhood.

The disadvantages of answering the call of the wild

were apparent, however, when I came up from Maine, a green country boy with a rather hazy knowledge of text books, to live with the family at Montague Terrace. My father realized my shortcomings, and one day when he saw Seth Low, who was a model student, on his way to the Polytechnic, he pointed him out to me, saying: "Charles, there is a boy you should copy."

In after years, as Low and I met at important functions, I often reminded him of my father's injunction.

Seth Low was certainly a man with high ideals, and of great accomplishment, but I believe I have had more fun than he, as he could not shoot, fish, or sail a yacht, while I have shot from northern Canada to the Amazon, from the Atlantic to the watershed of the Pacific, in Finland, Russia, Austria, Italy, Greece, and Great Britain.

But the greatest total of my pleasure in hunting has been accumulated within a circle that does not extend far from the city of New York. During the past fifteen years, instead of taking vacations of weeks, I have found more enjoyment in being alive to happenings in business and finance for five days and vacating week-ends and holidays.

I joined many country clubs within that circle; and, incidentally, I observed an indifference to sports on the part of men of leisure as compared with the intense delight of those who are transformed from business hustlers into hustlers after game. There are few, if any, sections within that radius with which I am not familiar: Tuxedo, the Warwick Woodlands and the Hewitt preserves; Connecticut for ruffed grouse (the New England partridge), the gamest of birds, and woodcock, the sports-



## DUCK SHOOTING



Sink Box and Canvas Back Decoys—Havre de Grace



James C. Carter in Sink Box



and on Steam Yacht



Wallace B. Flint



Ducking Sneak Boat



Point Shooting



man's favorite; and the mouth of the Connecticut River, with its rail and bay birds.

When I was eighteen years of age, I visited the uncultivated land back of West Point, between the Hudson River and Central Valley, and continued to go there to shoot for many years. Then came the railroad magnate, E. H. Harriman, and I realized how the North American Indian must have felt when driven from his happy hunting grounds. Looking forward to provide for the happiness of future generations, Mr. Harriman selected that favorite territory of mine as the best place for a great public park. I found, however, that Mr. Harriman was not only considerate but generous, and in one of our last conversations he said: "Flint, you are the last man to whom I gave the privilege of shooting at Arden."

One day, Mrs. Harriman, seeing me coming from the woods, kindly invited me to join her and her friends at luncheon. Although my hunting togs made me feel somewhat out of place at a ladies' luncheon party, I accepted and had a corking good time, and now remember with pleasure the delightful hospitality of my hostess.

Since my youth I have enjoyed shooting on Long Island. The produce express trains and fast steamers from the south bring in early vegetables and berries, preventing the farmers of Long Island from getting high prices so that they cannot afford to pay the cost of fertilizing its sandy soil. As a result, much of the land is uncultivated and is now a sportsman's paradise.

There are pheasants at Robin's Island—black ducks at the South Side, and mallard and quail at the Wyandanch

Club, where for fifteen years I have had a "shooting box" formerly the home of a miller. I named it "Biamilsite"—from its location on the dam site of an old grist mill—and there I have entertained genial spirits.

In providing entertainment at "Biamilsite," the most popular contributor for her weight has been my cocker spaniel "Dot." Looking simultaneously in several directions for food, Dot reminds Bob Davis of a "cross-eyed boy at a three-ringed circus." But Dot has inspired poetry. From a lady admirer:

"Aristocratic, gentle, kind,  
With almost more than human mind—  
(Why, few dogs know what Dot's forgot!)  
Alert, well-bred, refined, polite,  
Her charm is everyone's delight.  
That's my Dot."

From a sportsman:

"Will your dog go and find a quail,  
'Fetch;' 'sit up' and then 'to heel;'  
And will she go when she is bid  
Across the swail and up the hill  
To 'flush' a woodcock where it's hid,  
My Dot will!"

From R. H. Davis:

"And does your dog know Irvin Cobb?  
Who angles, hunts and herds with Bob?  
And could a dog laugh if he tried?  
Indeed, my spaniel almost choked—  
Yea, when that pair of genials joked  
She damn near died!"



Upland Shooting



"Chief"



"Hunter"



Woodcock Cover





From the "Lodge" at Farmington:

"Do you believe when life is o'er  
St. Peter'll shut the heavenly door  
When my dog comes to look for me?  
I'll bet he won't! For Peter knows  
The worth of love, strong, staunch and true!  
And 'Dot' I'll see."

The above verse was regarded as the finish, but these verses on "Dot" were sent to Irvin Cobb, who, having an affectionate regard for his host, added:

"And when this 'Dot' of whom you brag  
Starts heavenward with tail a-wag  
And tiny body all a-thrill,  
Will she find there among the blest  
The noble object of her quest?  
You bet she will!"

Then came the acid test:

"Most any dog will follow far  
E'en to the pearly gates ajar  
On suspicion that the golden streets  
Are deep with milk and other eats.

But how about the Other Place?  
Will your dog enthusiastically race  
To lick your grimy, sweat-stained hand  
As you stoke the fires in that grim land?  
Say now, will she?"

One of the most interesting guests at "Biamilsite" was Captain Guy Gaunt, head of the British Secret Service

in this country, now Rear Admiral Sir Guy Gaunt, an active member of Parliament. Wherever he sat would have been the head of the table; but we put him there in fact, and along the line were Bob Davis, Irvin Cobb, Channing Pollock, and Owen Davis, author of *Icebound*, winner of the Pulitzer Prize,—all wits who anticipated having great fun with an Englishman at a celebration of the Fourth of July. To their surprise, Gaunt was quite equal to the wittiest at repartee, and the climax was reached when I announced that he was the first naval officer of England to salute the American flag on the Fourth of July.

Within four hours of New York City are the Havre de Grace flats, a place unequalled elsewhere in the world for its variety of wild, celery-fed ducks. I first went there with Judge Calvin E. Pratt of the Supreme Court of New York. He carried a bullet in his head—not by choice—it got there during the Civil War!

We shot from a sink box which consisted of two watertight boxes, the size and shape of a coffin, that were sunk into a flat raft about twelve feet by seven feet, with strips of lead on it to keep the water from getting into the boxes when the wind blew. We used iron decoys to sink the raft to about level with the water. When ducks were flying a long way off, one of us would put up his leg for a second. It was done so quickly that the ducks at a distance did not know what it was, but from curiosity they would fly within gun shot. When the ducks are flying near, a flip of the hand will sometimes attract them, but when they



"Dot," "Drake," "Chief" at the Home of the County Family—the McArthurs



Coleman Dupont on the Steps of his Glass House





are headed for the decoys, one must be as cool as the New England farmer (who in a game of poker said, "I'll stay as I be") and wait until the ducks are within easy shot. We shot Canvas Backs, Red Heads, Black Heads, Widgeon, Sprig Tail, and a "trash" duck which we at that time called "Coots." Lucky for the gourmet, but unlucky for the duck, the "Coot" became a "Ruddy Duck" on the bill of fare, and instead of being allowed to fly by as formerly, he was killed, if the sportsman was a quick shot. I say "if," for the Ruddy is certainly a mile-a-minute flyer.

Judge Pratt and I had a boat called the *Poke*. Later, when we were joined by Harry Polhemus and Charlie Osborne, the famous Stock Exchange operator, we built the scow *Widgeon*.

Big money was coming Osborne's way. He extended his benefactions from young ladies to an old ladies' home, and incidentally he left Pratt and me his share in the *Widgeon* and built the *Reckless*.

I have spent some enjoyable week-ends shooting on the estate of Coleman Dupont, at Cambridge, Maryland. On the occasion of my first visit there I arrived at midnight, and as I drove up the long shell road entrance toward the house I became exceedingly confused, for it looked as though the dining table were set out on the piazza and backed by trees that grew up through the house itself. I felt that my eyes were failing me, but when I arrived I found that the General was actually living in a glass house, or at least in a house whose main section was com-

posed entirely of plate glass, while the bedrooms were contained in wings built of more conventional material. All my life I had been familiar with the proverb regarding people who live in glass houses, but never before had I found a chance to apply it. This unusual residence was most enjoyable and entertaining; life within its walls was a constantly shifting panorama: through one wall one saw a company of ducks flying down the river, or a line of fishing boats; through another, a dog pointing a quail; through another, friends coming up the entrance drive. It was as though one were constantly in the open, and when we came indoors after shooting ducks and woodcock we did not shut ourselves off from the creatures of the air and fields.

The most difficult shooting I have ever had was from a boat, rolling in the sea, shooting pigeons as they came out of the caves at Kinsale; and in Finland, shooting at woodcock that were flying high over the trees at dusk. Near the Russian boundary I shot a bird a little smaller than a turkey, named "lujar," which the Czar, Nicholas II, was fond of shooting. The male bird calls for its mate at dusk at a late hour during the "white nights" of the mating season. When I got within four hundred yards of the bird, I was told to remember that the bird listens intently, and I was warned that if I broke a twig he would fly away; but that while he is calling (true to his name "lujar," the Russian for "deaf") he is oblivious to all sounds. That would give me time to take three or four steps, when I would stop instantly; and then a few more



"Drake " Pointing Quail in a Tree



Joy Morton and "Ranger" having Retrieved a Quail Points Another



steps, when he would call again. Sometimes a sudden stop would leave me with one foot in a mud hole and the other in the air.

From Finland I went to Austria-Hungary, where sportsmen with thirty or more beaters would circle large fields and walk towards the center, the game being shot as it ran or flew across the circling line. According to this plan, the sportsmen had fun without risk of being shot, while the beaters had the risk of being shot and seventy-five cents a day. We shot roebuck, hare, English partridges, and a few pheasants.

My first experience of shooting in Great Britain was at Cluny Castle, in Scotland, on St. Grouse's Day when Mrs. Flint and I were guests of Mr. and Mrs. Andrew Carnegie. Ex-Mayor Seth Low was there. I loaned him my new Purdy gun, one of my shooting coats, furnished him with plenty of ammunition, and then kept out of gunshot. The Carnegies' piper awakened us by walking around the castle, playing his bagpipe. This early morning music reminded me of that Scotchman who, dying in a hospital in India, said that if he could hear the bagpipes he would feel better: the bagpipes were played, and he recovered—but all the other patients died. None of Carnegie's guests waited for a second summons.

The enjoyment of bagpipes depends very much on the conditions under which they are played. In the hills distance lends enchantment, and certainly it was a joy when the piper headed a procession at Cluny and piped us to an exceptionally well cooked dinner.

On Sunday, after breakfast and the sweets of social



intercourse, Carnegie put his guests on the top of a coach and four and sent them to the kirk, but stayed at home himself. When we returned after a sermon of nearly two hours, he told us a story which he vouched for as the genuine Scotch brand.

A father starts with his little boy to the kirk. They walk five miles in silence. Then the long sermon and they start for home. Not a word is spoken until the boy looks up and says: "Father, it's a fine day."

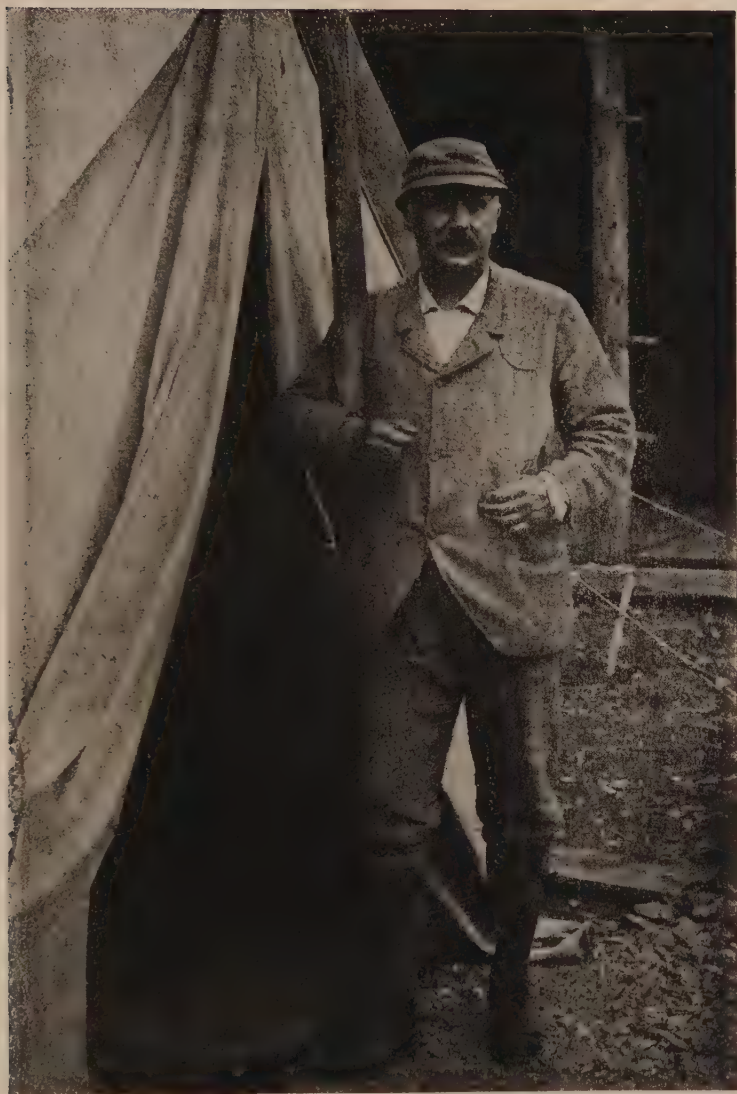
Whereupon the father looks down sternly at the boy, and replies: "Ma son, 'tis na day to talk o' the day."

During our visit at Cluny, except occasionally when Carnegie would go to commune with himself in dealing with "that base and common drudge 'twixt man and man," he was joyous and, like many Scotchmen, had a keen sense of humor. I suppose one of the most serious propositions that came under his consideration during that time was a cable, which was sent by Charles M. Schwab advocating the building of Homestead. Carnegie cabled "No." To which Schwab replied: "I'll guarantee it'll be a success."

Appreciating the humor as well as the seriousness of Schwab's reply, Carnegie cabled back: "Who guarantees the guarantor?"

In America we hunt; in Europe we shoot. There does not appear to the American to be much difference between the two phrases, and I have used them as synonymous for years, but I know now that there is a great difference.

In Great Britain, where I shot at Battle Abbey, Balintore Castle, and Cluny Castle, I came to understand that



To Charles R. Flint  
with best regards from Thomas Baird



it was not merely a British peculiarity never to use the word "hunt" with respect to birds. And on the first morning that I was stationed in a "butt" among the heather, waiting for the birds to be driven within shooting distance, I realized why the sportsmen were designated as "the guns."

How different I used to find hunting in America from shooting in Europe! When my dogs "Drake" and "Ranger" would see me they would come with a rush, bark and jump, and even howl with joy. As I put my gun together, "Drake" would find my shooting cap and come to me with it in his mouth. We would soon be off across the hills and valleys. On a bright October day, the woods were brilliant with foliage of every color, from the bright crimson of the swamp maple to the rich yellow of the chestnut. It was the open season for woodcock, ruffed grouse, and quail. What route should I take to have the best chances for game? Were the partridges feeding on wild grapes, or were they under the oak or chestnut trees? Where were the best chances for woodcock? Were the "home birds" in the alder swamps or "flight birds" on the hills? The quail, I knew, were on, or near, the buckwheat stubbles. "Drake," having "bird sense," ranging very wide, looked in the most likely places, stopped at the scent, fearing to flush the bird until I came within shot. Woodcock and quail lie to the dog, but ruffed grouse seldom do. "Drake" knew it and remained standing on the scent until I could circle to get the grouse between us.

In America the sportsman must have game sense; in

Europe he must be, at most, a good shot. In Europe he is part of a system of which the gamekeeper is the practical head; and as the sportsman's only function is to shoot, he is very appropriately classed as one of the "guns." The American sportsman plays every part in the game, and from the lack of such variety arises the partial dissatisfaction inevitable to shooting in Europe.

Here we must know all conditions, whether in "the open" or in the woods. We take intense delight in the superior work of our dogs. With a bird in his mouth, our favorite setter points another. Make a double shot and he leaves the dead bird to secure the wounded one. There is not only a feeling akin to affection, but there is perfect understanding between you and your dogs. Although your bag may be but three or four woodcock, several partridges, and a few quail—insignificant in number compared to the bags made of "driven birds"—the game you have shot under varied conditions is entirely the result of your own knowledge and skill. At night, thoroughly tired out, you have a sense of complete contentment as you rest, after a hearty dinner, with your dogs lying around you, reminders of the sport and inspiring a feeling of companionship. In contemplation, in front of the blazing logs in the great rough fireplace, you say, with Mickey Free, "'Tis not for glory I care; ambition is only a fable." And, taking an all-around view of life, you conclude that health is better than wealth.

I have first described small game shooting because that sport is more accessible and the lure of it lasts longer than





Maine Woods





that of big game; but I must not neglect my experiences with a repeating rifle. For hair-raising adventure, I refer you to most publications on big game shooting. During my first hour in the Rockies I fired at a grizzly. Off went the rifle and off went the bear, and I haven't seen one since.

In 1882, owing to the improper treatment of an ulcerated tooth, I had a serious case of blood poisoning. One side of my face was badly swollen. I had invited Thomas Baring, senior partner of Baring Brothers, of Liverpool, to come to this country for a moose hunting trip through the Maine woods. On his arrival he came to my bedside to express his commiseration, and his politely worded regret that the hunting trip must be abandoned. Such a sacrifice was quite contrary to my intention. My condition was dangerous and I felt that I would better answer the call of the wild and let nature affect my cure. I sensed that the tang of the north woods air, the breath of the pines, the distance from uncertainties and great business burdens, would do more for me than doctors.

"But we will not postpone the trip," I told Mr. Baring. "Just tell me what time you'll be on the Fall River steamer, and I'll be there."

He demurred, but I was insistent.

*"I'll be there!"* I repeated.

On the appointed day, I forced myself to get up and went to my friend, Dr. J. Fleet Spier. "Do what you can for me," I told him. "I'm going into the Maine woods."

He looked at my swollen face for a moment, and became

very serious. "If you do, you'll be brought out dead," he declared. "Where you ought to go is to a hospital."

When he found that I was determined, he told me that my only chance lay in having two holes cut in my cheek, through which tents should be inserted every few hours to provide drainage for the poison, and that these drains should be kept open until I returned to New York.

"Cut them!" I demanded, and set my teeth and my mind for the operation.

There was not much else to do, for the use of anæsthetics had not been brought to the fine point that it has today. Dr. Spier ran in tents for drainage, put a white cloth on my cuts, and I wrapped a silk scarf about my face and hied me to the steamer. There I had to dress my wound. It was not accomplished without a bit of difficulty. I commandeered a passenger to come to my stateroom and hold a mirror while I did it. The passenger felt faint at the sight. For a month after that I carried two mirrors—so much depended on my having one—and put tents of oakum into those holes in my cheek every few hours. It was very desirable that I keep heated poultices on my cheek, and the locomotive engineers en route were very accommodating in turning on to them jets of steam.

From Mt. Kineo House, Moosehead Lake, Baring and I started for the wilds with two Indian guides. In canoes we ran the Allagash and the St. John River. My theory of the outdoors as a healer was proven when, at the end of a month, I was able to paddle from four o'clock in the morning until eleven at night, less the time taken for meals. We each shot a moose. The head of the one that Baring





My Guides in the Woods of New Brunswick



Caribou Brought Down at 187 Yards





shot adorns the Liverpool Club, while mine is in the dining room of the Union Club of New York.

My face healed quickly as soon as I stopped putting in tents, but there are scars and depressions in my left cheek to this day. Accident, however, saw to it that I should not go through life with an unbalanced countenance. I had once jumped out of a woman's arms through a window and the glass cut my right cheek so that it had to be sewed up. The depression from that wound is an exact match for my blood-poisoning souvenir. Perhaps I should explain that the woman was my mother and the jump a babyhood exploit.

An amusing incident occurred at the conclusion of our trip—something that was entirely new to Baring, who had long been accustomed to the name of Baring Brothers standing for all that was financially undoubted. At the start of the trip, I had suggested to him that we leave all money behind us, so there would be no temptation to anyone evilly inclined up there in the wilds. When we came out of the woods, Baring had seventy-five cents; I had a dollar. We were wondering how to get money enough to pay our fare, for there was no telegraph. We went ashore at a little village and I purchased a number of articles at the country store. In payment, I handed the storekeeper a draft for fifty dollars on Montreal which I had carefully penned and signed as an officer of a lumber company.

Baring watched the man dubiously studying the draft.

"Er . . . er . . . if it will aid you," he suggested, "I will add the endorsement of Baring Brothers of London."

Brusquely the storekeeper answered him. "I never heard of them! But I'm willing to take this lumberman's draft."

With the money he gave us, we made our way to Boston and New York where we shortly afterward had the opportunity to contrast our camp fare with dinners at the Somerset Club and at Delmonico's.

In Germany the owner of the island of Usedom placed his castle and estate at my disposal for ten days. I was accompanied by my secretary, Baron von Zglinitzki who was, one might say, born into the German army. Frederick the Great, as is well known, was ambitious to have a guard of men over six feet tall, and when Colonel Zglinitzki, the baron's ancestor, of splendid appearance and taller than any of Frederick's soldiers, came with a message from the King of Poland, Frederick the Great said, "Here is the man to be captain of my guard." And to this decision the King of Poland assented.

The castle had a moat around it filled with water and there was a tunnel that had a camouflaged exit a mile distant from the castle—the idea being that in case of surrender the besieged could take the tunnel route in preference to a quick application of cold steel.

We shot roebuck, a variety of wild duck and partridges. Here I had an example of German punctuality. I had ordered a man to be at the marshes at 5 A.M. I did not arrive till 5:15 so he concluded that I was not coming and left before my late arrival. Even the dogs were trained to German discipline. I left some of my things



Baron Robert de Rothschild



The Tobique





in the woods. One of the sporting dogs was selected to watch them—when I returned at the end of three hours he was still on guard.

One fall I went up the Tobique River in New Brunswick. On this trip I saw twenty moose and did not fire at any, as none had antlers larger than those of a moose I had shot before; but I did shoot a bull caribou with twenty-seven points. This head is now in the Riding Club of New York. In order to hunt a certain section we left our tent, traveling light; while we were gone a bear, apparently with his paw, made a hole so high up in the tent that he must have stood on his hind legs, and took a quarter of our caribou meat. He also ate up our concentrated food, which enormously increases in bulk on the application of water. How the bear must have felt and looked when he commenced to swell we shall never know.

One of our guides—a wise old Indian,—told us of men who came up there with wonderfully effective explosive bullets but with miserable markmanship. The Indian summed up the situation, and I often use his remark as an aphorism in business.

“Ugh! Explosive bullets no good outside the animal.”

## CHAPTER V

### BEING INTRODUCED TO LATIN AMERICA

THE business of W. R. Grace & Co. became varied in its character. In addition to engaging freight and loading vessels, we also acted as commission agents, buying for merchants, various estates, and companies in South America. I found no difficulty in the engaging of freight and the loading of vessels, because of my previous experience in shipping; but I had never done much important buying, and when an order came from Francisco Bryce for a sugar plant for his great estate, "La Estrella" near Lima, I realized the importance of the commission.

Although we were an American firm, it was our duty to buy the sugar machinery in the best market; indeed it was the very fact that we had facilities for investigating the markets of the world which enabled us to get the order. Just as soon as one gets into international merchandising one must take the world as his market, for discrimination in favor of the home product will soon wreck business. One can, however, sell a domestic article if it is as good and costs no more than a foreign product, or if it is better than the foreign product—even at a higher cost.

This was my first big venture in buying machinery. I

got designs and prices from Belgium. Because they had low labor costs they made low tenders. I got prices from Glasgow and Liverpool: they were higher than the Belgian prices, but their work was of a higher character and they were willing to give a practically unlimited guarantee of its stability. Then I secured a quotation from the Southwark foundry in Philadelphia. Their prices were the highest of all, but their designs were far more progressive than the European ones, especially in saving labor. The foreign designs, for example, had the sugar run from the strike pan into flat tanks, from which it had to be scooped out and taken by hand to the centrifugal; while the American designs provided that the liquid should run directly into tank trucks which were wheeled to an elevator and dumped, without further handling, into the receiver over the centrifugal. The saving in labor in that operation amounted to 60%.

I contracted for the American machinery. The sugar plant erected cost half a million dollars. The Southwark contract amounted to \$168,000, on which they lost \$30,000; but because of the excellence of their design, this unprofitable order gained for them two large and profitable contracts.

Wherever the labor costs of an article are large in proportion to the raw material costs, an American firm stands little chance of getting foreign business on a competitive basis. But an American can nearly always sell machines at a high first price if he can show that the machines materially reduce the cost of production. This, however, is not always an easy demonstration to make. We build

our machines on the assumption that they will be operated by high priced labor, and we build them to cut down the amount of that labor, but in some parts of the world labor is very low priced.

It is, therefore, well to bear in mind when bidding upon a foreign contract that the labor saving features which ordinarily ought to land the contract for the American will not be important if the machine is to be used where labor is plentiful and cheap. Also, we do well to remember that European makers gradually adopt the best features of our designs. They must do that to meet our competition, and so it is of the highest importance for an American never to permit any product that he expects to sell overseas at a higher price than the foreign product to fall short in ingenuity. The European makers, for instance, were gradually compelled to adopt our progressive designs in sugar machinery. They could not get the business otherwise.

In 1874 I received a hurry call to go to South America, and took the Pacific Mail steamer for Panama. On board the steamer, instructed by that grand old sailor Captain Griffin, I enjoyed taking the latitude and longitude. I read *Maury on Air Currents*, and it was particularly interesting literature during the hurricane season on board what today would be called a small steamer.

On my arrival at Panama I called on James Boyd, the proprietor and editor of the *Panama Star & Herald* which circulated on the west coast from Mexico to Patagonia, realizing that my business status on the west coast could be established by this newspaper. I had filled Boyd's

orders for wooden legs for several years; and I had often wondered why he ordered so many, until I dined with him.

In his newspaper Boyd described me as one of the important merchants of the United States, amply able to grant credits for the extension of trade, and I found it very difficult to play the part.

At Guayaquil the steamer remained over night, and L. C. Stagg having read in the *Panama Star & Herald* of the "important merchant," arranged for me to be invited as a distinguished American to a public dinner, reception, and ball. The government band of thirty pieces furnished inspiring music. The president of the club practically repeated what he also had read in the *Panama Star* and proposed my health. Not speaking Spanish fluently, I could express only in English my appreciation of the high honor conferred and add a Viva for the President of Ecuador, and a Viva for Bolivar, the "Washington of South America."

In Callao and Lima the "important merchant" had to spend most of his time in "the dry drudgery of the desk's dull wood." Soon after my arrival I visited the sugar estate of La Estrella where the sugar apparatus which I had purchased in 1872 had been erected and was functioning successfully. I later visited the large sugar estates to the north of Callao and became familiar with their operations. I found that successful agriculture is practically assured in Peru, as there are no uncertain elements: there is always the sun; there is little variation in temperature; and it never rains, the water being supplied by streams from the melting snows of the Andes. Under



these conditions, as you can plant every day in the year, you can gather a crop every day in the year.

In Peru I had an excellent opportunity of becoming intimately acquainted with the shipmasters of different nationalities. We were agents for French, Germans, Scandinavians, Italians, English, and Americans. From my knowledge gained as an agent for ship owners in foreign ports, I do not hesitate to say that at that time, in the Seventies, the American shipmasters were usually superior to those of other nations. They were generally part owners and had full authority to conduct the business of the ship, while the captains of European vessels were for the most part only sailing masters, and we as agents received instructions on important matters direct from the owners.

I also observed that the managing owners who treated their captains liberally, particularly in rendering an account for the master's interest at the exact cost of material and labor, had adopted a wise policy. The captains in foreign ports often compared notes as to how they had been treated by their respective managing owners, and when they found that one shipbuilder gave a "hard pan" figure and another an inflated one, the captains got even in foreign ports by retaining commissions which captains of the actual-cost ships would credit to their owners. In one case a captain included in his expense account a suit of clothes, which the owner refused to allow. The next time the captain returned home and rendered his account, the owner said: "I see that you left out the suit of clothes this time."

“Oh, no,” replied the captain, “it’s there, but you can’t see it!”

Soon after my arrival in Lima, I encountered the greatest American figure that has ever been south of the Isthmus—Henry Meiggs—for many years the actual, although not the titular, dictator of Peru, and a man who was known from one end of the west coast to the other simply by his given name, “Don Enrique.” Meiggs had left San Francisco as a bankrupt; he landed in Chile with no assets other than a remarkable personality. He obtained several building contracts in Chile, and then he moved to Peru where he turned to his advantage what I think was the most remarkable political situation that the world has ever known.

Usually a government is supported by the people. Peru in those early years was a government that supported its people, or at least supported those of the people who could get into political power. The one great source of revenue was the guano deposits of the Chincha Islands, which was sufficient to support everybody in Peru who could get his hands on the money. A good many hands did try to get this money. Nobody ever heard of a president finishing out his term of office.

I once referred to the enormous value of these deposits at a dinner which I attended in Washington, given by Gardner C. Hubbard. Among those present were Secretary of State Blaine, Secretary of the Interior Noble, and Justice Brown of the Supreme Court. I remarked to Mr. E. S. Converse that the guano shipped from the Chincha

Islands had sold for \$600,000,000. Whereupon Senator William M. Evarts, at the other end of the table, attracted general attention by asking in a loud voice: "Mr. Flint, do I understand you correctly, that the guano shipped from the Chincha Islands sold for six hundred millions of dollars?"

"Yes," I replied.

"The deposits of seals and birds," said Evarts, "what a commentary on human effort!"

Into this situation came Meiggs with his wonderful presence and equally wonderful political gifts. He saw that the immense revenue from the guano deposits might better be used to promote accord than revolution, and that it ought to be the developing power of the country. Peru then had insignificant railways. Don Enrique planned railroads for all important points. The Peruvian coast is a strip walled by the Andes, and every railway to the interior must be built practically to the clouds and at enormous expense. Meiggs planned those railways.

He went further than this—he planned to give all the potential revolutionists jobs, even revolutionists afloat. He sent one of them to us and we purchased a fine sailing ship for him, which was appropriately named the *Don Enrique*. It was a Peruvian custom that when a man came into power he and his friends were the sole beneficiaries of the state funds. Meiggs, with the larger vision, seeing that there was plenty of money to go around, gave everybody something to do and some money for doing it, with the result that the country under Balta enjoyed an unprecedented prosperity. In this fashion did Meiggs destroy revolutions at the source.



The Chincha Islands of Peru



Don Enrique Meiggs



Minor C. Keith





Don Enrique Meiggs was a builder. He made millions, but it was the adventure and the power that lured him—"el empresa," the undertaking—as he expressed it. As a railroad builder I should say he was fully in Hill's class, and as a financier he was in a class by himself, for on the strength of the guano revenue the government borrowed £30,000,000 abroad. At that time there was no American money to lend in South America.

At a terrific cost Meiggs ran those railways over the Andes, using American engineers, American locomotives, American cars, and American bridges, notwithstanding the fact that he had expatriated himself and not under the most favorable circumstances. He remained an American, and although the money he was spending came from Europe, he bought most of his material for the railways in the United States.

He developed to some extent the Cerro de Pasco silver mines and executed great plans for the development of agriculture. But Don Enrique did not let power go to his head. He was too astute a politician for that. He never held political office, he never tried to be a dictator—he managed men while they managed the country, and there can be no doubt that it was Meiggs, and Meiggs alone, who built Peru.

On my first visit to Peru in 1874, Henry Meiggs was at the zenith of his power. He had railway contracts with the Peruvian government aggregating \$126,000,000.

On my second visit in 1876 Meiggs' power was gradually waning, but he continued to impress everyone as a super-man. I attended the wedding of his daughter at the

Meiggs' residence in Lima. It was staged with the usual magnificence of a Meiggs' function and was a grand social event. At the wedding feast a solid silver service was used, that had been exhibited in New York by the maker, and which cost \$25,000. Don Enrique was then the most popular man in Peru, and at no time in his career did he have a more commanding presence.

I had one unpleasant interview with him. A vessel came to us with a cargo for Meiggs. I had heard that he was finding difficulty in meeting some of his obligations. Everything that the captain had in the world, for himself and his family, was in his vessel and he relied on us for protection. I explained our obligation to the captain to Mr. Meiggs and said that we wanted the freight paid in advance or an undoubted guarantee of its payment before delivery of the cargo; that while my firm was ready to give him credit, we should not be justified in delivering that particular cargo without security. Meiggs' attitude reminded me of Tim Campbell's remark to Grover Cleveland, "What is the Constitution between friends?" With all his remarkable ability, he apparently did not appreciate the seriousness of our obligation to that captain. I, of course, insisted on security, and thereafter our relations were somewhat strained.

While the railroads that Meiggs had built were developing the country, their receipts were not as a whole equal to the cost of their operation. The guano of the Chincha Islands had been about all shipped, and the end of the other guano deposits was in sight; money was not available to satisfy the "outs," so that Meiggs' power in

the Government began to wane. Balta the President, friend of Meiggs, was assassinated. The people, having shared directly and indirectly in the proceeds of guano shipments as well as in the benefits from government loans placed in Europe, and being used to relatively easy agricultural conditions, were at first incapable of facing a situation that demanded the thrift and industry which the Scotch and New England Yankees have acquired in long struggles against hard natural conditions.

In 1874 I had given a letter of introduction to Mr. Meiggs in favor of one of the friends of my youth—J. Sprague Meeker. He was of good family, a graduate of Williams College, and had been admitted to the bar of New York. In business he was one of the 95% that does not quite succeed. On leaving New York to circle South America I had been glad to make Meeker a loan, leaving with him the security which he had given me. On my return he met me at the steamer, told me that he was in bad and had been forced to sell the security. He felt that he could make a fresh start in Peru, and asked me for letters of introduction to men of power and influence in that country. I knew that Meeker wanted to be honest, and I told him that I would give him letters if he would give me his word that he would not borrow a dollar from those to whom I introduced him. He gave me that promise, went to Peru, and, rather than use my introductions for getting money, he pawned everything that was pawnable, and didn't have a square meal except when Meiggs or members of Meiggs' family invited him to dinner.

Henry Meiggs, seeing that Meeker was up against it,

and having been through that experience himself, put him in charge of his plantation (hacienda) which was situated half way between Lima and Callao. While in that position he succeeded by strict economy in saving money and paid back to me every dollar that he owed me. In 1876 during my six months' stay in Peru, I generally went on Sunday to breakfast with Meeker at the Meiggs' estate—having been assured that my visits were agreeable to Mr. Meiggs. I now think back with pleasure on my Sunday forenoons with Meeker; he was a man of intelligence, and the surroundings were most entrancing.

The Meiggs' house was built on the top of a mausoleum, erected by the Incas, which had vertical sides about twenty-five feet high; the top was flat and three hundred feet square. In the center was a story-and-a-half country house of generous dimensions, surrounded by a most beautiful flower garden, with shade trees of considerable size growing out from this mound. To the west we could clearly see the steamers and sailing vessels on the Pacific Ocean, and to the east there towered the Andes Mountains whose summits, in perpetual sunshine, were covered throughout the year with snow. After Meiggs' death, Meeker's administration of this estate was not continued; he was obliged to take a subordinate clerical position and months passed during which I did not hear from him. Then one day I was surprised at my office in New York by the following telegram from San Francisco: "Telegraph me four hundred dollars and you will never hear from me again. Meeker."

I at once telegraphed the money and neither myself nor



any member of his family, nor any of his friends, have ever heard of him since that telegram.

The influence of Henry Meiggs did not die with him. He left not only a permanent impress on Peru but also, although indirectly, on Costa Rica, and with this our firm had some connection.

When Meiggs was fulfilling his large railroad building contracts in Peru he gained such world prestige that the government of Costa Rica gave him a contract to build a railroad from San José, the Capital, to the Atlantic where a port was to be established. This contract Meiggs turned over to his nephew, Henry Meiggs Keith. He died, and his brother, Minor C. Keith, took up the work and finally became the most important man in Central America. It was from Keith that we received orders for supplies to build the Atlantic terminus, christened Port Limon.

In order to build the proposed railway it was necessary to traverse rugged mountains and fever-breeding swamps in the wildest portion of Costa Rica. At the time when Keith landed, the site of the present Port Limon was an unpopulated jungle. There were no steamship lines to any part of the east coast of Central America, no highways or railroads to the populated sections which were in the interior; no ice, no fruit or vegetables except canned goods, and no meat except salt meat and the wild game of the jungle. Everyone of the climatic obstacles that made the building of the Panama Canal so difficult was present in far more serious form in Costa Rica, and Keith coming to build his railway did not have behind him the resources of the United States Government. He could no more have



rendered healthful the region through which the railway was to pass than he could have washed the face of the moon. He simply had to take things as they were.

And, taking them as they were, he stayed right on the job through the jungles and over the mountains, and financed and drove the railway.

The senior Agassiz wrote to me a long letter specifying the collections that he wanted from these unexplored jungles, and the Smithsonian Institute sent Professor Gabb to collect ornithological specimens, and in addition Keith obtained there a famous collection of prehistoric pottery.

Keith had had no previous experience in railway or any other building. I think he was only twenty-two years old when he began. On the credit of Costa Rica he borrowed funds in Europe. He had engineers with him. He learned to be somewhat of an engineer himself. The native inhabitants were not physically rugged enough to stand the strain of railway building and it was almost impossible for a white man to live in these lowlands, so Keith had to secure negroes from Jamaica and other nearby places on the Caribbean Sea. These negroes, attracted by high wages, were followed by a shipment of sweethearts and wives. They were lazy, but they were strong and not much affected by any climate. The Panama Canal was mostly built by them. But even these negroes could not work long in this climate. They, too, were forever dying or asking to be sent home.

The engineering obstacles were great enough—the railroad had to make steep ascents of the mountains and it

had to be supported through swamps—but even more difficult was the problem of human engineering. The people had to be driven, the spirit behind it all had to be indomitable. It was Keith who furnished that spirit. He stayed right with the work, he managed the forces, he kept the labor on the job, and he was a power in the government.

With the government in the hands of a very small group, as is sometimes the situation in the less developed countries of Latin America, a *coup d'état* is possible and practicable; it is a lot less trouble than a regular revolution, and it is, also, a good deal cheaper and safer. There is no particular use in getting an army together and collecting expensive arms and ammunition when the same result can be achieved by seizing the offices of the government. The people at large do not always know who is governing them, and they care less; so a few intrepid statesmen, given a reasonable amount of luck, can often capture a government. The “ins” will put up a fight only if they are stronger than the “outs”; and as the “outs” hardly ever make the attack unless they know they are stronger than the “ins,” a real fight does not often take place.

In the Exposition of 1876 when Pedro Segundo pushed the button and started the machinery, the engineer pointed to the enormous fly-wheel.

“That fly-wheel,” he said, “makes two hundred revolutions per minute.”

“Wonderful,” exclaimed Don Pedro. “That is almost equal to the Republic of Peru!”

General Guardia got in by one of these comparatively bloodless changes.

We received a cable from Keith that Guardia, the president-elect, was leaving for the United States. Mr. Grace was abroad, but I secured the U. S. cutter *U. S. Grant*, obtained permits to take His Excellency and his suite off the steamer at quarantine, and arranged with Delmonico's to furnish an elaborate breakfast so that Guardia might see how we fed our naval officers. There was enough brass and gold to make the welcome of the president-elect impressive. Guardia was a man of executive ability—as evidenced by his *coup d'état*—so going up the Bay, and as we steamed around the city, he proceeded to business. He announced that he wanted us to buy rolling stock for the Costa Rica R. R., and that, incidentally, he wanted a credit of \$150,000, for which he not only pledged the obligation of the government but additionally promised on his sacred honor that it would be paid within six months. We purchased the locomotives from Baldwin's and the cars from Jackson & Sharp of Wilmington; but when the \$150,000 came due, instead of it being paid, General Guardia drew on us for \$10,000, the amount of his personal account. We refused to honor his draft. We first wanted our money from the government.

Then the rumpus started. Someone had to go personally to Costa Rica, but if I had gone as a private citizen, Guardia might have first clapped me in jail and then discussed my value to the firm as a credit on the loan. So I went forthwith to Washington to secure a government appointment as bearer of dispatches. Being unsuccessful,

I sent a person who was willing to take his chances for \$5,000. He came back with the full \$150,000 and we then honored the president's personal draft. There is no particular hard feeling in a transaction of this kind. Guardia was probably only experimenting to discover how much he could get away with. Discovering that he could not get away with anything increased his respect for us.

Keith's railroad made what there was to be made out of Costa Rica. There had been no terminus on the east coast. He founded Port Limon, which is now a thriving town. Keith also built a road in Guatemala and devoted himself to the promotion of the banana industry. To bring the bananas into the United States he founded the United Fruit Company with its line of steamers. Whenever Keith put his hand to anything, he never stopped until the task was finished.

## CHAPTER VI

### TRYING TO FORM A NITRATE TRUST

THE Chileans are the "Yankees of South America." I first became familiar with them as laborers on the line of the Lima & Arroya Railroad, which was being built for the Peruvian Government under a contract with Henry Meiggs, by William H. Cilley, an American of ability and indomitable pluck. Cilley had 15,000 laborers, the majority of them Chileans. I asked him how he maintained law and order so far removed from police protection, and he replied that the secret lay in being fearless and in administering justice honorably so that the laborers would have confidence in their Chief ("patron"). Cilley had a disease common in that district known as verugas, and, when he rode, blood would press out from his legs where they came in contact with the saddle. When I hear of men of blood and iron, I think of Cilley.

On landing at Valparaiso, I took the train for the capital, Santiago, and there I found intellectual vigor as remarkable as the physical vigor that I had found in the Chilean laborers building the Lima & Arroya R. R. When I remarked on the number of fine equipages that were to be seen in Santiago, I was told that, in proportion to the



population, there were more there than in any other city in the world.

It was not until many years after this visit that Chile came into cable communication with the rest of the world. In 1891 an American company, in which we were shareholders, completed a cable to Chile down the west coast of South America. I have never been more vividly impressed with the annihilation of distance by the cable than I was at the time of the Mont revolution against the Balmaceda government. The battle of Placilla, near Valparaiso, was decisive. A cable from Valparaiso brought to New York news of the defeat of the Balmacedistas, which I immediately transmitted to the Chilean Minister Lascano at Washington. His Excellency replied: "The news is absolutely false. I have a cable from Balmaceda dated ten hours later than the one you quote from Valparaiso."

The fact was that owing to the war the telegraph between Valparaiso and the capital took twenty-four hours, while from Valparaiso to New York it took twenty minutes. The following day the news of Balmaceda's defeat reached the capital, was cabled via the Argentine to Washington, and I received a wire from Lascano which read, "All is lost save honor!"

Balmaceda had appointed me Consul General of Chile to the United States. Fortunately, I had not received my exequatur from our Department of State, so that instead of the Mont government having the satisfaction of retiring me from that office I wrote to the new government as soon as I received the cable from Valparaiso of Balmaceda's

defeat, that, as I was acting as Consul General of Costa Rica, I could not serve as Consul General of Chile!

During the past forty-five years about the most important industry in Chile has been the production and sale of nitrate of soda. In the seventies the production of nitrate was principally in Peruvian territory, although much of the business in nitrate had been carried on by Chileans. Finally certain capitalists of Peru, influential with the government, conceived the idea that if the Peruvian government put a heavy export duty on nitrate, the owners of nitrate *oficinas* would find it to their interest to sell their properties to a corporation known as (by its English name) The Nitrate Company of Peru. It was the idea of the organizers of this company permanently to monopolize the nitrate industry of the world, and for a time they were practically successful in so doing, as the only low priced nitrate of soda was produced on the west coast of South America. My firm were the agents of this monopoly in the United States, and we secured the European agency for Baring Brothers. The result of this organization was detrimental to the nitrate producers and merchants of Chile, a fact which led up to a war of conquest, by which Chile annexed all of the Peruvian nitrate territory.

That war took me into what was, perhaps, an absolutely unique avenue of business: the supplying of munitions to belligerents—which I will describe later.

In Chile I met the famous Colonel North who became known as the Nitrate King and cut a wide *nouveau riche* swath in London. He was a Yorkshireman who had gone

to the west coast as a shiphand. Then he got into stevedore work. He made and saved money. He bought ships, and in the course of years managed not only to control much nitrate shipping out of Peru and Chile, but also succeeded in securing important interests in the nitrate fields.

At Pisagua, I was entertained by him; and later, when he was rolling in luxury, he described the house where he entertained me as a "shanty." He had one horse and I hired another, and we visited the nitrate *oficinas* back of the port.

In traveling in Peru, I found great pleasure in Prescott's *Conquest of Peru*. At a point near Trujillo, I visited a Temple to the Sun and there spent hours reading of the religious rites and ceremonies of the Incas. As it never rains and there is no frost in Peru, the remains of the Incas were quite intact. As we climbed the Andes on the Lima-Arroya and other railroads, we saw the remains of terraces cut in the mountainsides by the Incas, on which they had grown fruit and vegetables in such a manner that the products of every zone were represented in an ascending line, all the plants being furnished with water by the melting snows from the mountain summits.

Being intensely interested in the history of the Incas, I thought I would dig one of them up, which I did at Pisagua. There, too, I found evidences of the Incas' superiority over the nomad tribes of North America in the way of industrial production.

On board the steamer going from Pisagua to the next nitrate port to the south (Iquique) I learned that anyone

possessing the remains of an Inca was subject to arrest. Some people on board who knew of my relic, apparently had more pleasure in anticipating the trouble I would get into than in making a suggestion for relief. I took one of the rowboats that came alongside the steamer, and my baggage was placed in it, as well as the head of the Inca. It was a long row to the shore, and when, on the way, I observed an American vessel, I boarded her and, finding that she was bound for New York, succeeded with no difficulty in having the Inca's head put in with the nitrate cargo. So in due course I received my trophy in New York. At Iquique they must have wondered what had become of it.

Years later I, myself, nearly became a factor in the nitrate world. After the war between Chile and Peru, when the nitrate trade was at the height of its prosperity, the various producers shortsightedly thought the best way to develop their fields and their pocketbooks was to keep their prices high and hold a tight rein on the world's supply of nitrate; whenever the price showed signs of dropping, they restricted production. But this Chilean combination, like so many other combinations, saw only the advantages of a monopoly. The members believed that a monopoly could make money,—although no monopoly has ever made an amount comparable to what might have been made under other conditions. Without realizing it, they gave their major attention to killing the goose. The Chilean monopoly turned men's eyes exploratively to other possible sources of nitrate supply,





Balintore Castle



Grouse Shooting—Lunch on the Heather



M. P. Grace and his Guests





with the result that the possibilities of atmospheric nitrate production were developed.

These price agreements were about to expire when the President of Chile told Ulysses D. Eddy, an old time South American merchant and formerly a member of Flint, Eddy, and Co., that he wanted to interest American capital in Chile. Eddy wrote to me in London. I have always been interested in the economics of industrial consolidation as opposed to the waste and restricted profit of price agreement and its interference with the law of supply and demand. I proposed that the Chilean nitrate producers be consolidated so that their production and transportation costs might be materially reduced by coöperation. This idea was entirely agreeable to the President of Chile.

Michael Grace had leased Balintore Castle. He liked my idea, and invited Englishmen who were largely interested in nitrates up for a week's shooting. We were out with the guns and dogs all day and talked nitrates during the evening. I went to Germany and saw Sloman, Folsch, Martin, and Gildermeister, who were the big nitrate men of their country. It had been a little hard to convince the Englishmen of the advantages of a company that would make its money through cutting waste—rather than raising prices. Before long, however, they were won over. It took no time at all to convince the Germans; they understood perfectly that interference with the law of supply and demand, or the maintenance of an artificial price, is fatal to trade.

Then I visited Lord Rothschild. All this happened

in 1910. I had never before met the head of the English house, but I had no difficulty in making an appointment. He had a small office opening off one of those innumerable courts that are occupied by stock brokers in what is known as the "city" of London. There was nothing to distinguish his offices from a hundred others. Twenty minutes of his income would, I imagine, have refurnished the whole place.

Very few English offices are luxurious or impressive. The laws and the tenures of the financial district of London are such as to make all new structures all but impossible, and English business men simply accept the inconveniences of their offices as part of the bother of being in business. In fact, I think that they have a sentimental preference for their awkward arrangements just as the university students prefer the inconveniences of Oxford and Cambridge to any modern improvements.

Lord Rothschild was a rather stout man, very dignified and very deaf. He had a quite ordinary desk with a high back, at which stood a kind of confidential man who repeated to his Lordship anything he did not exactly understand, and who, I believe, also acted as kind of a memory,—although he did not take notes. There was no appearance of formality, but conversation under such circumstances could hardly be called genial. I found that Lord Rothschild was more interested in Chilean Government loans than in the nitrate industry.

The Chilean Government had previously arranged all its finances through him, but a little while before they had taken a loan through the Deutsche Bank and what prin-



Ge. Thos. May





cipally interested Lord Rothschild was the possible effect that this proposed consolidation would have on Chilean finances. He was not alert to the benefits of industrial consolidation, although he spoke in high praise of the skill of Americans in such accomplishments.

The Rothschilds have, for the most part, preferred to go it alone. They have large mining and other interests, but their principal business has been with governments.

The proposed consolidation would have involved several hundred million dollars. I got in touch with J. P. Morgan, who arrived in London, and he suggested that I take up the nitrate proposition in detail with his partner, Henry P. Davison. I did so when I returned to New York.

In a little while there came together, for the consummation of this business, as strong a financial and industrial group as had ever met. Ulysses D. Eddy went back to Chile to make final arrangements. Everything was on its way.

The Chilean Government realized the importance of interesting J. P. Morgan & Co., Kuhn, Loeb & Co., the First National Bank, and the National City Bank, in Chile, and showed every evidence that it was eager to do its part.

Then like a thunderbolt, came the ultimatum on the Alsop claims, issued to the Chilean Republic by Secretary Knox. There were a number of claims that had been hanging on for years against Chile. There was no particular reason why they should not have been collected, but also there was no particular reason, so far as I could ever discover, why they should have been made so important

a state affair at that particular time. In face of the "Knox Ultimatum," Chile was afraid to have her principal industry and source of income controlled by a corporation organized by the financial and industrial magnates of the United States. And that was the end of the proposed consolidation!

The Chilean nitrate producers remained unconsolidated, and their industry has subsequently suffered from the very conditions which we predicted and which our plan was designed to prevent.

## CHAPTER VII

### EXPERIENCES IN ARGENTINA AND BRAZIL

WHEN I made my first journey to Chile (1874) on my way around South America, it would have been impossible to go across the Andes from Santiago, Chile, to the River Plate, for the time was in our summer and their winter, so I took a steamer sailing via the Straits of Magellan. At Montevideo, I was fortunate in meeting Mr. F. F. Pearson, partner of S. B. Hale & Co., and on board the steamship running from Montevideo to Buenos Aires we were fellow passengers. S. B. Hale & Co., established in 1833, was then, as it is now, the oldest American firm engaged in foreign mercantile business, and it was the only American firm of consequence in the Argentine.

This firm is interesting, not only on account of its pioneer character, but because it was the instrument used to carve out the career of probably the most brilliant man I have ever known in commerce and finance. That man is Charles H. Sanford. Sanford had gone from New York to Buenos Aires representing Lanman & Kemp, large wholesale druggists. He was an ordinary salesman but an extraordinary man. He began to make such a dent in the drug trade of the Argentine that he came to the notice of

S. B. Hale & Co., and shortly after he became a partner of that firm. Then S. B. Hale & Co. took on a new life. It became one of the most progressive and active firms in the world. Sanford saw the immense possibilities of the Argentine, but he was too farsighted.

He went to England and induced Edward Baring, the senior member of the famous firm of Baring Brothers, to back Argentine to the limit. The Barings issued acceptances based on sound Argentine investments to an enormous extent. Up to that time no private banking firm had ever put out so much money overseas. No other firm but the Barings could have done it; for at that time they and the Rothschilds were the big bankers of the world. Their name turned paper into money. Sanford made money with them. In the summer of 1890 he showed me a balance sheet of his firm with a net worth of many millions. On November 16th of that same year his firm's finances were involved. For it was then that there occurred the greatest financial disturbance of history: the embarrassment of the Baring Brothers. International commerce was then based on the pound sterling and the Baring's merchandise sterling credits were by far the most important. It will be remembered that the Bank of England stepped in to save commerce, that the absolutely unimpeachable reputation of the Barings rode the storm, emerging with added credit, and that no one lost a dollar. Sanford and his backers were simply a little too far ahead in their calculations.

Sanford, who was in London, sailed for the Argentine to find his money where he had lost it—and he did find it.

As an evidence of his success and patriotism, he subscribed to most of the Allied loans, and I recall that in our last Liberty Loan he took a million dollars in bonds. He has also had the satisfaction of being the senior of a most remarkable trio in which son, father and grandfather, each without assistance and entirely on personal merit, has gone to the top in a distinct and separate line of endeavor.

The grandson Herbert Sanford Ward became a pilot in the Royal Flying Corps at the age of seventeen. In 1915 he went to the front where he was shot down and wounded in an aërial duel, just over the German lines. After five months in hospital and prison camps he escaped via Switzerland, undergoing great hardships. On his return to London, he was soon gazetted Captain, the youngest in the Air Service, and after two years' service in England, as instructor of both English and Russians (he had learned Russian while a prisoner), he went back to France in 1918, and was at Soissons, when the Germans broke through, where he very narrowly escaped death or imprisonment. Subsequently he received a letter complimenting him upon the ability and despatch with which he had saved his squadron.

His father, Herbert Ward, the son of a distinguished naturalist and sculptor, very early in life developed his dual temperament, with its love of art and of sport and adventure. The only prizes which he won at school were for drawing and gymnastics. As the business career mapped out for him by his father was distasteful, he ran away at the age of fifteen to seek his fortune in adventure.



After several years of hardship and varied experience all over the world, he found himself at the age of twenty-one in Central Africa, where he had gone under the auspices of Mr. Stanley. After three years in the service of the Belgian Exploring Company, when on his way down country en route for home, he heard that Stanley had arrived in command of the Emin Pasha Relief Expedition, and needed carriers. On his own initiative, he collected four hundred men, marched down to meet Stanley, and offered himself and his services. Stanley enrolled him at once as a member of the Expedition. What happened during the two following years is described in his book *My Life With Stanley's Rear Guard*.

Soon after the Expedition, he married, and then the call of the artist in him almost dispelled the lure of the African forest. This lure, however, was never dispelled completely as his work portrays the very soul of Africa, and every phase of Central African primitive life.

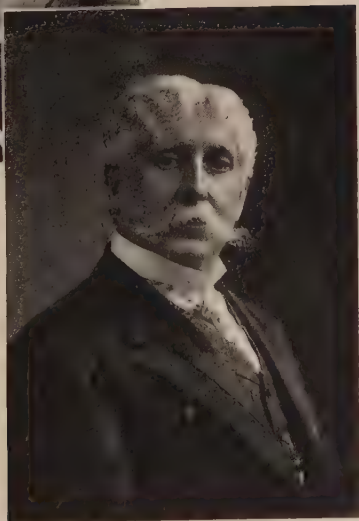
His sculpture was exhibited in the Paris Salon and Royal Academy in London, and in many exhibitions in France and England, everywhere winning medals. He received the two highest medals of the Paris Salon, and was awarded the Legion of Honour by the French Government. In 1910 he wrote and published *A Voice from the Congo*. His entire work in sculpture consisting of about twenty statues, together with his large and unique collection of African arms and implements, about three thousand objects, are now in the New National Museum at Washington. They were presented by his widow, in pursuance of his wishes.



Herbert Sanford  
Ward



Herbert Ward



Charles H. Sanford



Herbert Ward died at the age of fifty-seven, as a result of hardships and injuries sustained in the Great War.

He not only lent his country place in France to the British Red Cross as a Convalescent Home for British Officers, but he went himself to the front as an officer in the Number 3 Convoy of the British Ambulance Committee, and was awarded the Croix de Guerre in 1915 for removing the wounded under bombardment.

In 1916, although broken in health, and crushed by grief at the death of his eldest son, Charles Sanford Ward, who was killed at Neuve Chappelle, he went to America and lectured throughout the States with great success on behalf of the American Clearing House in Paris.

In 1917, he published *Mr. Poilu*, the profits of which were given to the French Red Cross. In 1918, he went back to the front, in spite of doctors' warnings; and, under the French Red Cross, visited the hospitals and canteens on the firing line in the Vosges and elsewhere.

After the Armistice, he continued his strenuous work, distributing comfort, food and clothing in the devastated regions, until his health gave way completely. "All our days are poorer for the part of him that died."

Reaching Buenos Aires, I found the currency of the country highly inflated. I paid \$30 in Argentine currency for breakfast and \$2 to get my shoes shined. Those who think the world will not come out of inflation have only to study the financial history of the Argentine. Their currency today is on a sound basis. I recall, at that \$30 breakfast, reading an account of President Grant's veto of the bill to perpetuate inflation in the United States.

After every period of inflation we have people who want cheap money, who like inflation so well that they think it can, by law, be kept up forever. It is a fine old idea. The ancient rulers used to try it—they crudely took precious metal out of the currency, put in baser stuff, and were indignant when their servile people would accept not less than two of the coins for something for which previously they had cheerfully taken one. I have no doubt that before long we shall dig up some tablets containing the full speeches of the Babylonian cheap-money orators, and I will wager that, translated, any one of those speeches would go well today.

From the Argentine I went to Brazil. Of that country I have seen a deal, both in commerce and in revolution. And I think I did as much as any other one man to preserve Brazil as a republic.

But when I first reached Brazil I knew no one; and I little dreamed then, at twenty-four years of age, how intimately I should later know the country and the people.

Coffee raising being the big resource of the country, I thought I ought to visit a coffee estate. As I knew none of the owners of these estates, I simply took a train for the interior, with the idea of letting chance make the selection for me. On the train I learned of one of the finest coffee plantations in Brazil, that of Baron Rio de Bonito, located on the railway line at Huara, so I left the train there. But here I was embarrassed by the fact that I did not speak enough Portuguese to ascertain the way to the estate. However, inquiring at a schoolhouse, I found that the



teacher spoke English fluently; so I asked him to send a boy to bring me a horse that I might ride to my destination. The boy went off, but instead of returning with a horse, he brought a jackass. Without being able to determine whether the boy had an excessive sense of humor or whether that was the only animal obtainable, I mounted and rode, after the peculiar manner of the Brazilian milkmen.

Not being absolutely sure of my way, I used what little Portuguese I possessed along the road. Before long, I was overtaken by a man who was riding an "honorably mentioned" mule. I asked him to direct me to the coffee estate of Baron Rio de Benito. Even before this incident I had been more or less familiar with the caste system existing in Latin countries, but on no previous occasion had I ever been so impressed with its thoroughness as I was when the man on the mule, after looking disdainfully down at me and my miserable animal, rode on without even condescending to answer my question.

However, I finally reached the estate, went up a side road, hitched my jackass to a convenient post, marched up to the grand entrance, and sent in my card. I told the Baron that I was about to return to New York (perhaps I had in mind the fact that he was shipping all of his coffee to that market), and that before going I desired to see what I had been informed was the best coffee estate in Brazil. The Baron apologized for not being able personally to take me over his estate, and explained that several men had come up from Rio at his request to discuss important business. He asked me if I would permit him to

place at my disposal his own saddle horse to make a tour of inspection. I accepted graciously and with alacrity. He said that if I would permit him to do so he would send his secretary to accompany me. In a short time up came an Arabian stallion with elaborate silver-mounted trappings, and to my joy I found that the secretary was none other than the man whom I had previously accosted riding on the mule. Having a high spirited mount, I gave my guide a run for his lack of courtesy, and I thoroughly enjoyed my promotion from a jackass to a stallion. But going back to the jackass gave me about the same feeling that many have felt during the period of readjustment following the World War. I insisted that the Baron should not accompany me to the outer gate and bade him good-bye at the grand entrance. The Baron said he would call on me on his next visit to New York.

From Rio de Janeiro I sailed for home in an old reconstructed blockade runner named the *Merrimac* which had been rebuilt for service between Brazil and the United States. The men with whom I naturally became intimate as fellow passengers were the members of a commission that had been sent by the United States Government to investigate the heavy expenses which had been charged in Rio de Janeiro for repairs to one of the United States war vessels. Being in the shipping business, I was very much interested in talking to these technicians; but it was not altogether comforting to hear these experts describe how our upper works of wood might part from our steel hull if we should happen to encounter a hurricane. We were

then passing through the hurricane zone during the hurricane season.

Finally we were sailing up New York Bay, and although it was before the days of skyscrapers and the Goddess of Liberty, it all looked very good to me.

My first trip around South America was, I think, the most valuable I have ever undertaken, and ever since then I have had relations of one kind or another with nearly all our southern neighbors. With Brazil I have had many.

For instance, when we heard that the Brazilian government was about to purchase a number of large locomotives, we applied to Baldwin's, the most important locomotive builders in the United States, for their Brazilian agency. They declined to give it to us. The conditions were unusual. There had been a financial and business contraction in the United States and a sudden decline in prices. Rolling stock and machinery manufacturers were cutting down their organizations, and many were fearful that they would have to close their factories altogether. Our only chance was to get the specifications of the locomotives first. I made a radical suggestion to my associates, starting the conference by telling of an incident at the Café Voisin, in Paris, when a resident of Philadelphia was most enthusiastic about some "delicious snails."

His French host said, "As you are so fond of snails I'll get the recipe for cooking them, so you can enjoy them on your return home." The Philadelphian declined, saying it would be impossible for him to have them.

"Why?" asked his host in astonishment.

The Philadelphian explained, "We can't catch them!"

"I am satisfied," I continued, "that the long established conservative Brazilian agents of Baldwin's are, as usual, sending the locomotive specifications to Philadelphia at the rate of twelve miles per hour at a cost of \$1.00 postage. Our opportunity is to have the specifications come at the rate of one thousand miles per minute at a cost of a thousand dollars."

My people adopted the high speed plan, and in response to our cable, our agents, Davison & Unwin, promptly cabled the locomotive specifications at a cost of \$1,407.

The Brooks Locomotive Works had not then sufficient orders to keep them running. It was vital for them to hold their organization together, so they gave us "a price to get the order," which we cabled to Rio de Janeiro. As our offer to the Brazilian Government was subject to immediate acceptance, a cable was rushed off accepting our offer—an order for sixty-three large locomotives, the largest single order for locomotives ever received from South America.

The result of this contract was satisfactory all around: the Brooks Works ran full time through a period of extreme depression, the Brazilians got locomotives at prices much lower than they had been paying, and we received, after paying for cables, a profit of more than \$100,000.

During my trip around South America at twenty-four years of age when life was young and sweet, and many times since, I have enjoyed the gracious hospitality of the Latin-Americans. In 1889-90 it was my privilege, in the first Pan-American conference, to meet as peers their most



distinguished diplomats and statesmen. That an affectionate regard should have grown up between myself and my many friends to the south has been quite natural.

It often occurred to me that it would be a great satisfaction if I could find some way of doing something that would be of general advantage to the Latin-Americans. While a delegate to the International American Conference I initiated the idea of establishing a Bureau of American Republics, and as the American delegate on the Committee of Customs Regulations, I formulated the report and resolutions advocating the establishment of the Bureau, which were unanimously adopted by the Conference. My colleague, Andrew Carnegie, whom I consulted at the outset, gave \$750,000 for the "Pan-American Building." But the operation of that bureau is governmental.

In looking over the field to see in what way private enterprise could be of service, I realized that Latin-Americans have a natural taste for music, that they are born diplomats, and are skilled in the art of correspondence. But in the technique of industry, which is of great importance to the Latin-Americans, as they are engaged in the development of new countries, I realized that we of the north were more advanced. We had learned how to make such developments in the United States: we were building pin connection bridges that could be quickly erected; we had designed locomotives suitable for sharp curves and irregular tracks; we had become expert in agricultural chemistry, in the development and use of labor-saving implements and machinery, and we had



made substantial progress in the best methods of mining. But I could not envisage the practical means by which Latin-America might be given these advantages until I visited Scranton in company with my former partner, Mr. Ulysses D. Eddy, and our long time associate, Mr. George H. Nolte. There I found an instructional system which covered in a most comprehensive way the entire field of technical industrial education. This system had cost millions of dollars to develop and from it had evolved the most elaborate textbooks, unequalled in the world.

I realized that results could be accomplished in Latin-America by translating the textbooks of the International Correspondence Schools (over \$500,000 was spent for this purpose). I arranged that Mr. Nolte should give a large part of his time to the extension of this system of education to Latin-America. The result has been that since this idea was initiated in 1909, the International Correspondence Schools of Latin-America have enrolled over 50,000 students.

## CHAPTER VIII

### SERVING SOUTH AMERICAN BELLIGERENTS

MY first experience in serving belligerents came in 1869-70—when I was acting as secretary for H. E. José Antonio Garcia y Garcia, Minister of Peru to the United States—in connection with buying and fitting out two monitors and three transports for Peru.

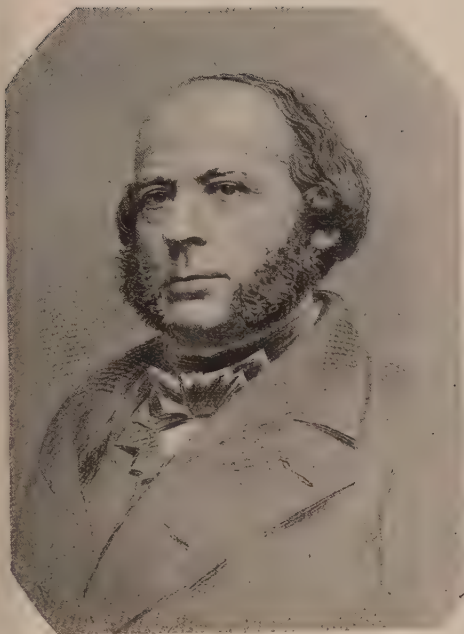
My next experience in serving belligerents was during the war between Chile and Peru. In 1876, I was appointed Consul for Chile in New York, and in the absence of the *Chargé d’Affaires* for Chile, I was entrusted with the conduct of the Chilean Legation. At that time my firm was the financial agent of Peru. When war was suddenly declared by Chile against Peru, I was, in a way, on both sides. When the war became imminent, we received cables from Peru to ship munitions to Callao with all possible despatch. I immediately cabled to Santiago my resignation as Chilean Consul, and turned over the business of the legation and consulate to a Chilean who happened to be in New York. In taking prompt measures to secure munitions many telegrams had to be sent; and before I could turn over the papers of the Chilean consulate, I received a letter from one of the employees of the telegraph com-

pany, in which he offered, for a consideration, to disclose to the Chilean Consul certain of Charles R. Flint's activities in connection with obtaining munitions for Peru. He little suspected that he was offering to let my left hand know what my right hand was doing.

There were difficulties in the way of shipping munitions to Peru, the principal one being that we should have to transport all munitions across Colombia to get them into Peru in time; and even in cases where certain supplies could be sent around the continent instead of across the Isthmus of Panama, the chances were that they would fall into the hands of the Chileans. I ascertained that Colombia would be quite neutral although not aggressively so.

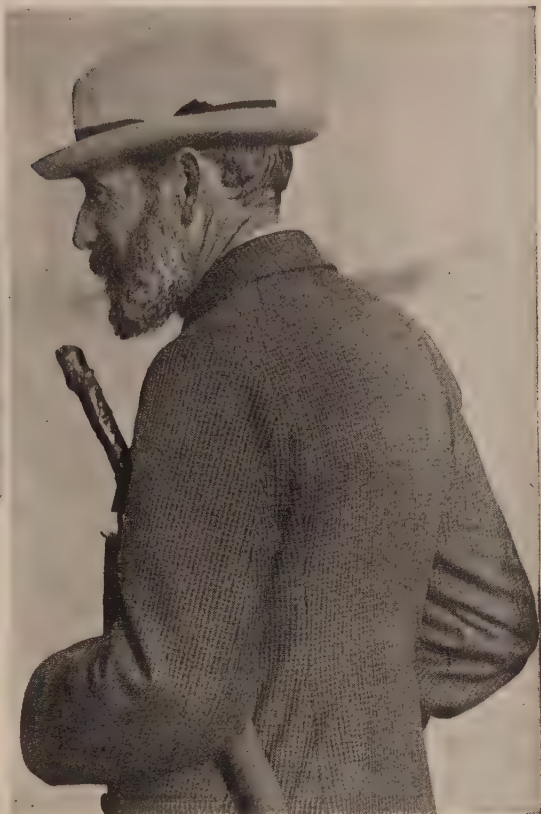
Peru had to have torpedoes, cartridges, and all sorts of munitions. Now it was possible that Colombia might object to having these sent across her territory as munitions. But, as an experiment, ten dirigible torpedoes from Pratt and Whitney were slipped into the center of 10 cases of oil-cloth and shipped in company with many more cases of oilcloth that did not have torpedoes inside. I had sat up many nights trying to find some general article of commerce that would hold a Lay dirigible torpedo, and I had discovered that oilcloth, framed in the ordinary way, weighed just about the same as a layer or two of oilcloth with a torpedo inside. Peru did a surprisingly large business in oilcloth during those days. Cartridges surrounded by lard were sent in lard barrels. Herreshoff built a number of 50-foot torpedo boats, and these went through in sections as "carriages," all ready to bolt and put together.

Nat Herreshoff, designer in 1878 of the torpedo boats for Peru, and later of the five successful defenders of the *America's Cup*.



Charles D. Flint  
with the author's regards

S. Ericsson



Torpedo boat run by one man acting as helmsman, engineer, and ordnance expert exploding dynamite on end of pole when in contact with enemy's ship. This marks an era in torpedo evolution.





The Peruvians were inexperienced in the handling of torpedo boats; they wanted a man. I asked General Slaughter, of Mobile, to send to me the bravest man who had served in the Confederate Army. One day an odd looking little fellow by the name of Read walked into my office and announced that he had been sent to me by General Slaughter. He showed no outward and visible signs of being a brave man, but I have since learned that you cannot measure a man's courage by looking at him. I found that Read had been in the torpedo service on the Mississippi and had behind him a marvelous record. He readily agreed to go to Peru or anywhere. I went with him to Bristol, Rhode Island, and put him in charge of the torpedo boats. He followed their tests in Narragansett Bay, he followed them across the Isthmus, and he followed them into war. But he did not get much of a chance in Peru because of the ambition of Peruvian officers who wished to monopolize the glory.

We tried out a lot of new ideas in that war. We had Ericsson make torpedo guns, which fired under-water projectiles containing 150 pounds of dynamite, that were designed for attachment to the sides of merchant vessels. The old inventor was delighted with the idea and we made tests with dummy projectiles on the North River. In the famous Dogger Banks incident—when the Russian fleet, moving out of northern waters en route for the Pacific, fired on the English fishing smacks—Admiral Rojesvenski, owing to cables he had received from his spies in the Far East, was fearful that the smacks might have under-water guns fastened to their sides.

Realizing that the ports of Peru would soon be blockaded by Chile, we shipped a cartridge factory to Peru, and this transplanted factory turned out satisfactory cartridges soon after its arrival. All in all, Peru was fairly well equipped, but Chile possessed superior war vessels and a better trained personnel. There never has been a braver commander than Admiral Grau of Peru and the fight of the *Huascar* against great odds has gone down as one of the bravest fights in naval history. But Peru was eventually defeated.

The next South American order for munitions came from Brazil. The first information I received regarding the revolution which resulted in the overthrow of the monarchy and the establishment of the Brazilian Republic was the note, here reproduced, from Secretary Blaine, with a copy of a cable from our minister at Rio de Janiero.

Brazil was the last remaining imperial government in the Americas. The Emperor had grown old, but his wisdom had not paced his years. Until now, republicanism had been a practically unknown political fashion in Brazil, principally because all the men of ability who might have aspired to set up a republic were employed by the government: South American revolutions arise out of an acute unemployment condition among politicians.

Without going into the details of the Brazilian revolution of 1890, it is enough to say that a well-organized group put the Emperor, his family and entourage aboard a warship, wished them Godspeed to Portugal, and established a republic. The affair was quite bloodless and so well managed as not even to be thrilling. The Emperor

CABLE FROM BRAZIL TO DEPARTMENT OF STATE, WASHINGTON.

REVOLUTION BY ARMY AND NAVY YESTERDAY. MINISTRY  
DEPOSED. PRIME MINISTER IMPRISONED. MINISTER OF  
MARINE WOUNDED. EMPEROR PRISONER IN PALACE.  
PROVISIONAL GOVERNMENT ISSUED PROCLAMATION IMPERIAL  
DYNASTY DEPOSED. COUNCIL STATE ABOLISHED.  
PARLIAMENT DISSOLVED. REPUBLIC DECLARED.  
PRINCIPAL PROVINCES ACQUIESCE. ORDER MAINTAINED.  
OPINION REPUBLIC SUCCESSFUL. AWAIT INSTRUCTIONS.

RIO. NOV, 16, 1889.

Dear Mr. Flinn

I will call  
I see you  
any day -  
I enclose  
the last I have  
from Rio -  
Please return  
it to me when  
I see you

Sincerely & kindly  
James G. Monroe

Mr Charles A. Flinn  
Attingham



did not seem greatly to mind being an ex-emperor and, I was informed, looked forward with some satisfaction to spending his remaining years in Europe.

The revolutionists were able men and of an original turn of mind. Ordinarily the control of the treasury is the chief objective of most Latin-American revolutions, and the usual, every-day revolution falls down when the controllers of the treasury somewhat too flagrantly conserve the funds. But these Brazilian revolutionists were wiser; their personal interests ran parallel to those of the state. To avoid political dissensions that might endanger the provisional government, Ruy Barbosa, the Minister of Finance, advocated inflation—thereby creating a period of industrial prosperity and avoiding the evils of revolution.

As a result of this program there was not even a single riot during the year of the provisional government. A constitution modeled on our own was adopted by the constituent assembly, and the Republic of Brazil, with Fonseca as President, was established. I went with Dr. Mendonca to urge Secretary Blaine to recognize the Republic of Brazil: I made the point that it would be unfortunate if one or more European nations preceded the United States in recognizing the Republic. As I was returning to New York that night, Blaine said that he would write to me during the evening, which he did as follows:

“It is important that you return to Washington as soon as possible. Your services in the conference are so valuable that we need you every hour, though I am asking much of you to be here so constantly, for your large business de-



mands a great deal of your attention. But just now it must be patriotism first and business afterwards.

"You and Dr. Mendonca are, I am sure, correct in regard to the stability of the existing government, and I offered to arrange his reception at the White House as the representative of the new Republic of Brazil as soon as speeches could be prepared.

"Do come over soon. In haste,

"Your friend always,

"JAMES G. BLAINE."

But as the artificial prosperity created by inflation began to sag, the conditions seemed favorable for the re-establishment of the monarchy—and Admirals Mello and da Gama (the latter a lineal descendant of Vasco da Gama) protected by cannon behind many inches of armor plate, made plans for the overthrow of the Republic. They took to the high seas with the battleship *Aquideban* and every other war vessel and crew of Brazil.

As all the northern cities of Brazil were on the coast, there was danger that Mello and da Gama, coöperating with Monarchists ashore, might effect the secession of the northern provinces. President Peixotto realized that he could not hold the doubtful territory merely by checking the royalists ashore, but that he must, also, have a navy with which to terrorize the citizens of the northern cities before Mello and da Gama could do the same.

He cabled to Dr. Mendonca, his minister in Washington, to send out a navy at once. Dr. Mendonca, being unfamiliar with marine affairs, turned the cable over to me for action. I told him that I would immediately give

my entire time to the execution of the President's order and suggested that he cable for the well-known sinews of war. These promptly came through in the shape of Rothschild credits on their American agents, the banking firm of August Belmont and Co., New York.

It was vital that the importance of the new navy should be made known at once in the northern provinces of Brazil, so a literary bureau was immediately established with one of the most brilliant men ever known in New York at its head—William M. Ivins. Mr. Ivins will, perhaps, be remembered as the counsel for William Barnes in the celebrated Barnes-Colonel Roosevelt litigation at Syracuse, the labor of which trial, by the way, brought on the lawyer's death. As there was a censorship of all cables, we controlled the news from Brazil, and Ivins fed out the news in the proportion of about one inch of news for six inches of propaganda describing the dynamite squadron about to depart for the northern provinces of Brazil.

With the money in hand the next problem was what could be done quickly. War vessels are owned by governments, not by individuals, and governments very rarely sell them until they are condemned.

We could not build vessels: it would take two years for a battleship, one year for a cruiser, and nine months for submarines or torpedo boats. Peixotto, to hold the northern provinces, must have a navy at once.

I decided to send the Brazilian President speed and dynamite. At this time there was in the air some talk that the dynamite gun was going to change naval warfare. Reviewing the various merchant vessels of the world

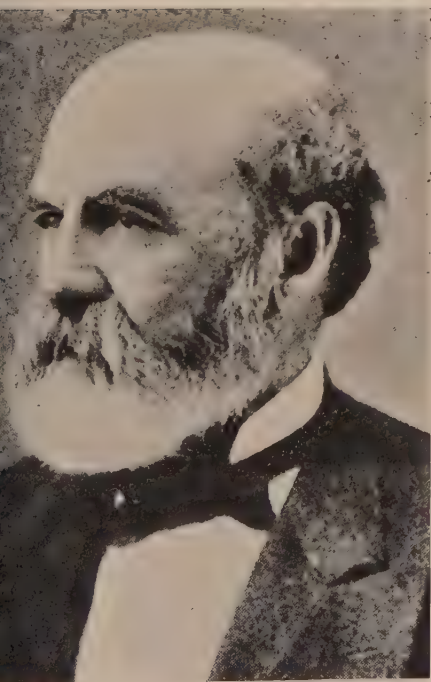
(and that is not as difficult as it sounds, for shipping men know pretty well what is afloat everywhere), I could think of only one fleet—the Morgan Line—that had the speed and the construction to make its vessels available as cruisers with a hasty refitting.

This fleet was controlled by that Connecticut Yankee and great nation builder, Collis P. Huntington. He had extended his transportation activities from railroads to shipping, and had built, and was operating, the Newport News Ship-building Company. I went at once to see him, not without the knowledge that we should have a battle of wits and that I might have to oppose a bludgeon with a rapier—for Mr. Huntington was not only extraordinarily shrewd, but he was given to a certain finality that comes to men who have gained enormous power after a long struggle. He was a man of powerful frame and very impressive appearance.

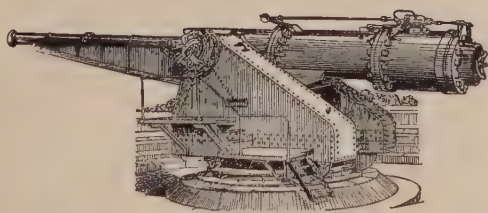
After what might have been called the Huntington Panic, at a time when he was a large borrower, and bankers who were comparative pigmies in financial strength and personal appearance were calling his loans and saying that if he did not pay them they would sell his securities, Huntington replied: "I wish you would; I can't." Finally the money strain suddenly lifted and Huntington was appreciated by everyone at his full worth. At that time I took him in my yacht *Javelin* down to his country place on the Sound, and, knowing of his triumph and his exultation, I told him that the changed conditions concerning him reminded me of the little girl down on the blueberry plains who had been having blueberries for breakfast,



Flag Ship *Nicteroy* of the "Dynamite Fleet" formerly *El Cid* now the U. S. Cruiser *Buffalo*



Collis P. Huntington



Zalinski Dynamite Gun Emplaced on the Flagship *Nicteroy* which fired a projectile containing 500 pounds of dynamite.

The fleet also had dirigible and auto torpedoes, a total capacity for simultaneous firing of 4000 pounds of dynamite.





blueberries for lunch, and blueberries for dinner. At last she exclaimed, "Persimmons have come and blueberries can kiss my toes." Huntington was like Tilden, not much interested in a story for itself, but he enjoyed its application, and his sides shook with laughter. He had a sense of humor, but his face generally expressed the keenness which entitled him to the reputation of the shrewdest trader from the Nutmeg State.

When I came to Mr. Huntington, in search of a steamship to transform into a cruiser for the Republic of Brazil, I told the great ship owner quite simply that I wanted a "boat."

"What do you want a boat for?" he asked.

"Well," I replied, "I have been boating all my life. You build them and I want one."

"Which one?" he asked, instantly divining that I was not leading up to asking him to build a pleasure craft.

"My choice," I answered.

He told his secretary to give me a list of his steamers, and looking them over I inquired as to prices. Mr. Huntington knew that I did not want the vessel for myself, and he probably had a suspicion that I was acting for a government. If he could have confirmed that suspicion he would have run up the price, but I parried all of his efforts to discover the eventual owner. Then he asked:

"Will you agree not to run this vessel in opposition to the Brazil Line?"

"Yes," I replied.

"Will you agree not to run this vessel in opposition to the Morgan Line?"

Again I answered "Yes."

"Will you agree not to run this vessel in opposition to the Pacific Mail?"

That was a catch question. The Pacific Mail ran to many points, and if I had told him that the vessel would not be run in opposition to the Pacific Mail he would have known at once that I wanted her for a government and would have tacked about \$200,000 on to the price. So I answered:

"No, I will not agree not to run in opposition to the Pacific Mail."

Thereupon Mr. Huntington concluded that I really wanted the vessel for a commercial purpose and told me I might have my choice for \$600,000. I wrote him a check for \$60,000 to bind the bargain, and selected a steamer of 6,000 tons displacement, named *El Cid*, which President Peixotto afterwards rechristened the *Nieteroy*.

There was no time to lose. I worked night and day, using my yacht as an office. I ordered munitions from Hotchkiss of Paris and Armstrong of England and a torpedo boat from Yarrow. I bought all of the high-power guns and projectiles that could be found anywhere for sale, which were suitable for the new navy. I opened negotiations with Zalinski for his dynamite gun. Knowing that he had the only dynamite guns in the world, he tried to sell me three for \$180,000. I wanted only one gun. There was a hitch. I had no time for leisurely discussion. Among other things I had to get to Chicago. Zalinski's agent and my lawyer went to the train with me. When the conductor shouted "All aboard" we were still far from

agreement. I stood on the back platform. As the train moved out the agent and the lawyer trotted along beside, and as we began to pull away from them the last words I heard were: "Yes, we will sell you one gun for \$70,000."

At that time, and it is still generally true, armaments were possessed by governments. They are expensive; no individual can afford to buy them, and if anyone did have the money, he would not know what to do with them after purchase. The finest stock of ordnance and projectiles then available were those in the halls of the great exposition at Chicago. That was the reason why I was on my way to Chicago, for the Hotchkiss agent had failed to get the consent of the Director-General of the Exposition for the removal of the exhibits.

Reaching Chicago I went at once to the office of the Director-General. He was in the midst of a luncheon for Lady Aberdeen, and, as I entered, Mrs. Potter Palmer, not without eloquence and with a neat appropriateness, was proposing the health of Queen Victoria. I could scarcely break in on the serene and amiable festivities, but after the ceremony had run its course I introduced myself to the Director-General. He thanked me for having taken part in welcoming to New York the guests of the Exposition, and, feeling both grand and courteous, he said: "Mr. Flint, we are delighted to welcome you to Chicago and if I can be of any service to you in any way please command me."

Of course he expected me to mumble my thanks and depart, but to his surprise I replied: "General, this is

good of you. If you will name an hour, I will tell you what I want."

He had to name an hour. There was nothing else for him to do. He suggested that I see him during the evening. I did and then I made a little speech which ran somewhat after this fashion:

"Général, if I were at the head of this Exposition I would not issue a permit for anyone to remove anything from the Exposition until it had closed, but there is an exceptional case. There is an attempt to reëstablish the monarchy in Brazil. Wouldn't you be mistaken to interfere with my efforts at helping the new republic to resist this royalist revolution? If you will close your official eye and wink the other eye, I shall go into the Exposition Grounds between midnight and daybreak and get what I want."

By daylight a special train was bound for New York with the desired armament.

It was important that the new fleet should have prestige. I hoped that it would have so much prestige that no one would want to fight it. Partly for advertising purposes, and partly because of its intrinsic value, I bought the *Destroyer* from Ericsson, which he regarded as a greater conception than his original *Monitor*. Norway had a fast vessel of 4,000 tons, the *Midnight Sun*, which was used for tourists. I bought that and Peixotto renamed it the *America*.

We had to have dynamite and we had to have crews, but we did not want the dynamite to go off unexpectedly nor the crews to mutiny at sea. The Consul-General of

Brazil to Canada came down from Montreal to felicitate me for what I was doing in the interests of his country. I thanked him for his good wishes for the success of the expedition. As he was leaving I signalled to a detective (we had several on hand all the time) and in due course the detective reported that the Consul-General was sending letters to Admiral Mello's agent. He was shortly relieved of his consular responsibilities, but his was only one of the many moves we had to checkmate to make sure that the fleet should not put to sea with either time-bombs or rebellious sailors aboard.

The fleet was equipped to fire 4,000 lbs. of dynamite simultaneously, and we now had to consider what make of explosive we should use. I called a meeting on board the *Nicteroy* of the principal dynamite manufacturers. They all came, and they all brought samples of their product with them. Hudson Maxim developed into the worst menace. He is a very likeable man, but also a very nervous one, and he kept twisting and wriggling around exhibiting his sample while he discoursed on its power. He diverted my mind from a consideration of his product to whether any of us would be alive to make a report on it. Finally I got hold of and sequestered the stick that he was flaunting, and for a moment breathed easier; but then he pulled a bottle of dynamite out of his pocket and went right on with his argument. I have a distinct suspicion that on this occasion he was equipped as a walking magazine.

Not knowing anything about dynamite, I eventually selected the brand used by the United States Government,



so that if anything went wrong I should not have to support my choice with my own opinion, but could rely on the findings of the government experts.

The securing of dependable officers and crew was a serious problem, because the agents of Mello were actively working to frustrate all of our plans; but the Ivins literary bureau so completely convinced the public that it was the manifest duty of young America to sustain the new republic and prevent the re-entry of a monarchy into the Western Hemisphere, that we filled all our executive and division offices with splendid men—all of them graduates of Annapolis—and received 1,000 applications—many service men—for the crew. From these we picked and chose. We had to have a Grand Admiral and there was just one man for that position: Captain Baker. He was intelligent and courageous, and I had no doubt that he would command respect.

At last the *Nicteroy* was ready. I say "at last." It had seemed a long time, but it was only twenty-one days after the day on which I had received the Rothschild credits. She was fitted with high-power guns and the Zalinski gun firing a charge of 500 pounds of dynamite. Three torpedo boats were lashed to her deck and she carried an ample supply of auto and dirigible torpedoes. Minister Mendonca came from Washington, and I took him out to the *Nicteroy* which was lying at anchor in the bay. We had a review. The Minister offered his arm to Mrs. Flint, and they passed aft between the lines of seamen. Then Mrs. Flint pulled a cord releasing to the breeze the flag of the Republic of Brazil, a flag on which

was inscribed in Portuguese, "Order and Progress." All of which was dramatic and in accordance with the best practice of putting war vessels into commission. The only odd feature was that there was not a man aboard the ship who had ever seen the flag before, or who could speak the language of the country for which he was faring forth so gallantly to fight!

I had no end of applications for passage on the new cruiser. There were newspaper representatives and artists; and if I had not exercised care the spectators might have outnumbered the crew. They were a jolly lot and Fontaine, a reporter, contributed to the observance of Thanksgiving Day in the form of a poem which pretty well sums up what they all thought about the expedition:

"Mello, Mello, where are you, old fellow?  
A Yankee ship and a Yankee crew is out on the sea to look  
for you  
To knock you all to hell-o.

We fly a flag of orange and green, Sir,  
The like of which we ne'er have seen, Sir,  
Our good ship's name, we cannot tell it,  
We haven't had time to learn to spell it.

But what has a flag and a name to do  
With a Yankee ship and a Yankee crew that's out on the sea  
to look for you  
To knock you all to hell-o."

The work of the literary bureau had reached Brazil, particularly tidings of the amount of dynamite we carried. The "navy" was known as the "Dynamite Fleet." In consequence of this propaganda, the in-

habitants of the northern provinces retreated miles into the interior when they heard that the ships were nearing the coast. They probably entertained the uncomfortable idea that we would blow off most of the shore line. It was these very inhabitants who had been the most vigorous supporters of the monarchy, and there had been considerable talk of secession. If they had seceded, the Republic of Brazil would have fallen.

One old admiral had been left ashore when Mello and da Gama decamped with the navy, and he had remained in the service of the navyless President Peixotto, who sent him to Bahia to board our flagship. He, too, had heard rumors of the formidable dynamite gun and the first thing he requested when he stepped aboard was that this gun should be fired at a target. Lieutenant Craven, the son of Admiral Craven, prayerfully aimed it at the target and let it go. By some miracle, that no one has ever been able to explain, a hit was scored, and the Brazilian Admiral, encouraged and confident, immediately gave orders to proceed to the capital. The fleet entered the harbor of Rio in the morning. By a coincidence Admiral Mello surrendered on that very day. The Grand Admiral of the fleet, having had no connection whatever with the surrender of Mello, went ashore and sent the following cable:

“Flint, New York. We entered the harbor at half-past nine. Mello has surrendered. The revolution is ended. BAKER.”

Acting on cables from President Peixotto to his Minister, Dr. Mendonça, at Washington, and I had hastily gathered

the "Dynamite Fleet," dispatched it south, and had kept the northern provinces of Brazil from seceding to the monarchists.

I had spent money faster than my bookkeeping organization could keep the varied accounts, and I found at the end I had expended \$150,000 more than had been supplied to me. I asked Brazil for the cash. My activities in quickly fitting out the "Dynamite Fleet" had upset the plans of the monarchists, but although the officials and supporters of the United States of Brazil deeply appreciated my efforts, their appreciation had its bounds. At this point the monarchists, seeing their opportunity, opposed any further payment to me; and it is truly remarkable what slight opposition will hold up a payment.

Monarchies are somewhat shy on sonorous phrasings of the principles of liberty and justice and all that, but they do pay their bills rather well; republics, on the other hand, like many eminent philosophers, have a distaste for such sordid affairs as reckonings. Anyway, Brazil did not pay. I had been a sort of brevet Secretary of the Navy with full power and no obligation to consult anyone, and I had made a record—buying, fitting out, and sending off a fleet within three weeks. The encomiums that I received were delightful and, too, I had enjoyed myself. But the compliments and the fun were not worth quite \$150,000 and, since I had not set out to become an international philanthropist, I took deep counsel with myself as to how I might get the money that was due me.

There are two ways of collecting a bad debt. The first is to make a dreadful row in the hope that someone will



be frightened into paying, a method that hardly ever works, as those who have the ability to owe large sums of money are not easily frightened. The second way is to make some money for the debtor, so arranging matters that you will be paid out of what you make for him. The second method is considerably more efficacious: it is the longer-viewed way because it creates and does not destroy assets.

Thus pondering, it occurred to me that since I had bought vessels for Brazil, and as Brazil did not need them once the revolution was over and the revolutionists had returned what might be called the native fleet with which they had decamped, the best way to effect a payment would be to resell the big ship I had bought. I knew that the Brazilian authorities would gladly pay me if, in the process of liquidating their own debt, they also got some money.

The Spanish War was then looming on the horizon, and Roosevelt, in conference with the officers of the Navy Department, had carefully reviewed the merchant vessels that might be transformed into cruisers. They had decided that only the Morgan liners had the right speed and build and they had bought some of those vessels,—among them the *Prairie* and the *Yankee*. Now it happened that the *El Cid*, which I had bought for Brazil and which had been rechristened the *Nicteroy*, was a sister ship to the Morgan liners bought by the United States, and it occurred to me that the Government might want my “dynamite” vessel.

Mr. Thomas S. Hopkins, our Washington attorney,





To Charles R. Flint  
with regards of  
Theodore Roosevelt  
March 26<sup>th</sup> 1903



assisting me in negotiating the sale of the *Nicteroy*, was in constant personal contact with the Secretary of the Navy. Hostilities had just begun, and American naval vessels were then making prizes of Spanish merchantmen in waters adjacent to Cuba. The country was aflame. In one of his interviews with Mr. Hopkins (who had seen three years' active service and was badly wounded in the Civil War), Secretary Long said: "I am sorry over this situation. This is an unjust war and is not like the one through which you passed."

I called on Vice-President Hobart, who acted for me as lawyer in incorporating the United States Rubber Co., and told him that I expected to have some negotiations with the Navy Department. His advice was: "Don't go to see Long today. Long is going into the country for a rest, and Roosevelt will have us on a war footing before he returns. If you want to get action at the Navy Department, wait a few days and see Assistant Secretary Roosevelt."

I went down to see Mr. Roosevelt, then a young man at the very peak of his truly tremendous physical and mental energy, chafing under what might be considered inconceivable indolence in preparation for the inevitable war. He was trying to prepare the navy over the heads of and in the teeth of the bureaucracy, which was proceeding, after the fashion of bureaucracies, toward a perfect preparation that would be nicely complete ten years after the possibility of war had vanished.

I had known Mr. Roosevelt before. I had known, too, that he had a way of getting things done and letting the

plans, formalities, red tape, and authorizations amble along after the event. He had a distinct preference for doing things first and investigating the legality afterward. He had an antipathy toward prolonged legal, diplomatic or political discussion when something had to be done and done right quickly. He demonstrated this when, as President, he went ahead and took the route for the Panama Canal. His whole attitude toward such things was neatly expressed by him years later when I heard him say:

“The politicians, lawyers and diplomats would have spent fifty years in discussing how to get a route for the Panama Canal, so I decided to take Panama and let them discuss me for fifty years.”

He had very much the same attitude when he was Assistant Secretary of the Navy, and he considerably disturbed the serenity of the Navy Department—of the swivel chair crowd. Therefore, he was the man to see, if anything was to be accomplished.

It was important that I should have a short interview with him in regard to making an offer for certain vessels in preparing for war with Spain. It was Sunday, and I sent the butler of the Brazilian legation, where I was stopping, to Mr. Roosevelt's house. He brought back word that Mr. Roosevelt had given orders that he was not to be disturbed and to announce that he was out no matter who called,—so I wrote the following:

“DEAR MR. ROOSEVELT:

“Knowing the important work that you have in hand for the Government, I have just completed a long and

laborious calculation and have figured out that your time is worth \$4,000 an hour.

"My business is of such importance that I am justified in asking for \$400 worth. Bearer awaits answer."

He wrote across the envelope: "Come over at once."

When I arrived, I started to tell him about the *Nicteroy*; but he knew all about the ship, and interrupted, saying: "I did not know she could be bought, what is the price?"

"Half a million dollars," I answered. That was considerably less than the Government had been compelled to pay for the other ships.

"I will take her," snapped Mr. Roosevelt.

"Good," I answered, "I shall write you a letter——"

"Don't bother me with a letter. I haven't time to read it."

The next morning I called on Secretary Long to report to him regarding the various negotiations I was conducting for the government, and he mentioned the *Nicteroy*. I asked him to request Mr. Roosevelt to come in. When he entered the Secretary said, "I have told Mr. Flint we will probably buy his *Nicteroy*, and then to give the cue to his Assistant Secretary said, "We will probably take the *Nicteroy* within a few days"—days are apt to be months in war times. At this juncture having been informed that the relations between Long and his Assistant Secretary were somewhat strained, I was intensely interested as to what Roosevelt would say. Without a moment's hesitation Roosevelt said:

"Mr. Secretary, I have bought that ship!"

I then took out my watch and, referring to an en-



gagement, bade them good morning. When Roosevelt came out into the anteroom, with a characteristic closed fist gesture and with Rooseveltian emphasis, he said: "Didn't I tell you that you didn't need a letter!?"

Some years later, when Roosevelt was President, I was at a diplomatic reception in St. Petersburg and met the Naval Attaché of the British Embassy. He told me that he was very much interested in getting information about Roosevelt, and would appreciate it very much if I could give him some personal reminiscence that would throw some light on his character. I told him that Roosevelt was very quick to rise to a suggestion diplomatically put, after which I quoted the above letter. Whereupon the Naval Attaché remarked: "Mr. Flint would like to know how many hours a day it was on which you figured."

Soon after that I made a voyage with Sir Charles Hardinge and recounted the incident to him, remarking that diplomacy apparently did not go all the way down the line at his Embassy.

Roosevelt had almost the Wall Street fashion of considering documents as something that followed, instead of preceding, negotiations. In no place in the world does more money pass on oral agreement than in Wall Street. If a man's word is not as good as his bond, the high finance of Wall Street is no place for him. Many of the most important transactions are completed long before the papers are drawn; they are consummated during informal talks that do not rise to the dignity of conferences. A man may go bankrupt in Wall Street and get not only sympathy, but also substantial help; but the man who

breaks his word is done, and done forever. That was Roosevelt's way of doing business. We did eventually have a formal contract. The contract was dictated by him. It was one of the most concise and at the same time one of the cleverest contracts that I have ever seen. He made it a condition that the vessel should be delivered under her own steam at a specific point within a specific period.

In one sentence he thus covered all that might have been set forth in pages and pages of specifications. For the vessel had to be in first-class condition to make the time scheduled in the contract! Mr. Roosevelt always had that faculty of looking through details to the result that was to be attained. The ordinary man would have written down minute specifications, without accomplishing what Roosevelt accomplished in a sentence.

The *Nicteroy* arrived ahead of scheduled time, was rechristened the *Buffalo*, and rendered fine service in the Philippines. The net result was that Brazil got rid of a ship she did not want, the United States bought a good ship at a low price, and I got the money that was owing to me—which, all in all, I call a good bargain.

Speaking of the honor of Wall Street and the absolute importance of keeping one's word, there is another precept in that unwritten code which is worth mentioning, a precept that has been followed by most of the men who have made large financial successes, and particularly by the outstanding figure of all time in the Street: the late J. Pierpont Morgan.

This section of the code declares that one shall *never*

forget a favor done, while one shall be slow to forget an injury.

I did Mr. Morgan what he believed was a favor in 1884, and many years later he repaid me by most handsomely doing me a favor. I made his acquaintance when he was thirty-two years old and a member of the firm of Dabney, Morgan and Co. They had a floor at 43 Exchange Place. Morgan sat at a small desk up toward the front of the office and was the first to talk with people who had business with the firm.

I met him while I was acting as Secretary for the Peruvian Minister, who had a very large account with the firm. Although only in his early thirties, Mr. Morgan, in part because he was the son of the principal partner of J. S. Morgan & Co. of London, but still more because he possessed great natural ability, was even then regarded with the most serious consideration in banking circles. But I did not find in Mr. Morgan the least desire to trade upon his position. He was prompt to act and he had no time for mere talk, but at the same time he was not brusque. He simply dispatched business with uncommon speed and uncommon accuracy. Although a partner, he then displayed a personal activity in details, and I was struck by his alertness, his quickness at figures, and his general efficiency.

We are likely to think of Mr. Morgan in the commanding position he later attained as one who was above detail and who would not know how to act in the presence of it. That is a quite false impression. Mr. Morgan was an expert in every branch of the banking business, and even

in later life he sometimes attended to the minutiae of banking transactions in person.

When, in his later years, he sat serenely at his desk, he was really in close touch, in a sense, with the whole machinery. In his hands every banking transaction became simple. The country never quite knew Mr. Morgan, and only a few appreciated the responsibility which he felt was imposed on him by his commanding position. He was always a citizen of the United States before he was a banker. He was a reserved man. He never flaunted his patriotism, but his patriotism was deep and intense.

The panic of 1893 would have been more far-reaching without his presence; he saved the situation in 1907 and on both occasions he saved it by taking risks that he need not have taken in his own interests, risks which would not have been taken by any man who did not possess unbounded courage and confidence.

I saw Mr. Morgan on and off through the years, as did almost everyone who had much business in and about the financial center, but it was not until the affair of the West Shore Railway, in the '80's, that I had much intimate intercourse with him.

Generals Winslow and Porter had organized the West Shore Railway. At first they planned to run their road under the Palisades, but later they found it better to go up the lowlands to the west of the Palisades.

At West Point and elsewhere the road encountered engineering troubles, which often mean money troubles; the Generals, with the road only half completed, found themselves short of funds; and, as the initial enthusiasm



had waned considerably, they did not find it easy to raise more money. It may be mentioned, by the way, that perfectly honest promoters, caught short of funds, sometimes adopt an excessively optimistic view of their enterprise to prevent it from collapsing altogether.

I took Thomas Baring, of Baring Brothers—a brother of Lord Cromer, the great man of Egypt, and of Lord Revelstoke—over the line to investigate its potentialities. The Baring Brothers were among the first English bankers to invest in America, but Mr. Baring, after some consideration, concluded that the West Shore did not offer securities which he could unreservedly recommend to the clients of his firm.

The Generals asked me to see Samuel J. Tilden, whom I knew very well. They thought they knew exactly what would cause Mr. Tilden to part with his money. I was young and they were old, so I permitted them to coach me. Then I talked to Mr. Tilden for a full hour. Mr. Tilden suffered from a voice affection which made it very difficult for him to speak, and, because he could say so few words, he had to make every word count, thereby taking on somewhat the character of an oracle.

When I finished the elaborate exposition of the West Shore, according to my instructions, I asked Mr. Tilden what I should say to the Generals. He leaned over toward me and hoarsely whispered: "Tell them I never take the second cut."

The West Shore offers an example of the extreme danger of basing capitalization upon the abnormally large earnings of a period of prosperity. It is particularly easy to



base capitalization upon such earnings, because naturally the favorable profit statements of established companies cause a rising security market and make easy the flotation of new securities.

The most successful companies—those which have stood the test of time, which demonstrate the advantages of aggregated wealth—are conservatively capitalized, and in good times increase their reserves in order to pay dividends in hard times. They, so to speak, take out dividend insurance with themselves. A great many of the companies that were launched in 1918 and 1919, or rather drastically refinanced during that period, are now in trouble because they were created to do business under abnormal conditions.

Looking backward, great business crises seem to have several stages. There is first the overflowing prosperity, then the deep depression, and then a flurry of prosperity which is usually taken for the real thing and in which many conservative men go down. The West Shore was a product of such a flurry. I noticed that at the close of the period of depression which extended from 1873 to 1878, when improvement began to set in, many conservative men sold their securities believing that it was a good time to get out. The people who bought these securities made money because the upward swing continued.

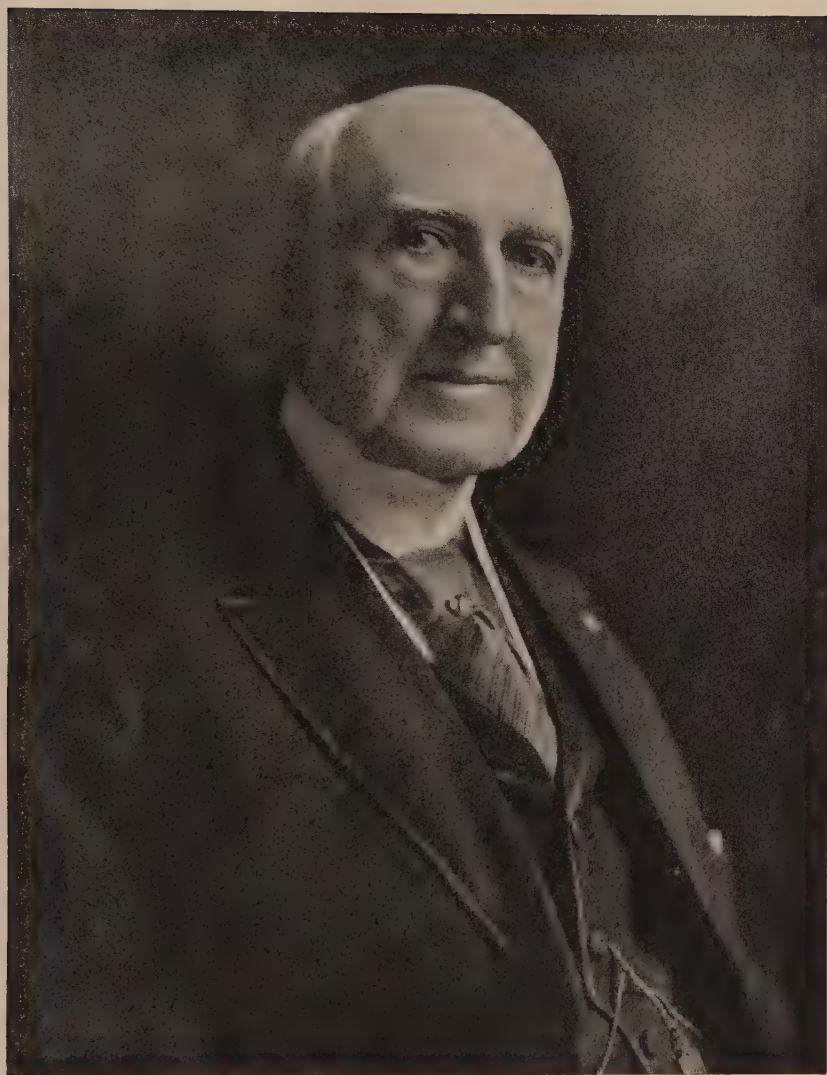
Then, after about two years, there was a general feeling that prosperity had become permanent and the men who had shaken their heads when the mercury in the financial thermometer was only one-third of the way up forgot themselves. They departed from the conservative policy

that they had followed, and argued and publicly stated that reactions such as had occurred in the past could not happen again, that the political and financial system had been perfected, that the wealth of the country had enormously increased, that the basis of business was established, and that an upward, continuous economic development was inevitable.

I hear exactly the same talk today that I heard in the early '80's. Because it was then believed that business had started to be prosperous forever, the original West Shore financing was easily accomplished; among the names of the subscribers could be found the very pillars of conservatism. The West Shore is but one of a great number of corporations that were introduced into society under the most delightful auspices only to become social derelicts. Within a few years these wrecks were floating everywhere, making business navigation exceedingly dangerous.

The West Shore was in bad shape. Chauncey M. Depew, President of the New York Central, asked me to go to Philadelphia to see Anthony J. Drexel. The Drexels were the biggest bankers outside of New York.

I told Mr. Drexel about the West Shore situation. He said that he would see W. H. Vanderbilt about it at once, which he did, but nothing was accomplished—Mr. Morgan was in London. In the meantime a reorganization committee headed by Abram S. Hewitt, had been formed, largely in the interest of Generals Winslow and Porter, and it rather looked as though all of the original stock and bond holders would suffer severely. It was an unsatisfac-



I have been near enough to vast riches to be grateful for my escape, and close enough to bankruptcy to feel its pangs.

*Chauncey M. Depew,*



tory situation and one that promised to become more unsatisfactory.

I realized that Mr. Morgan was the only man who could come to the rescue. Cyrus Field gave me an unlimited cable frank; but I communicated with Mr. Morgan through his office, asking if he would like to have the West Shore situation remain open until he returned. He cabled back, "Yes."

Then I went to work to prevent the adoption of the reorganization plan. Generals Winslow and Porter had been so unwise as to sell a block of West Shore bonds to that close-fisted Welshman George Jones, the then owner of the *New York Times*. If there was anything in the world that Jones wanted it was an opportunity to get at the people who had sold him those bonds. He put at the disposal of William M. Ivins a full column of the *Times* every day in which to write up the West Shore Railroad's doings and undoings.

Ivins had a gift for publicity. He entered upon his duties with zestful glee. The committee's plan was not adopted.

Later Mr. Morgan came home and bought up the West Shore holdings. The West Shore bonds, which had been selling in the thirties, sold in the nineties when guaranteed by the New York Central Railway.

Mr. Morgan realized a profit and his prestige was increased, but he did not thank me or give any indication that he took my action as other than a matter of course. He reserved that indication for a later period. The time came when I needed money. I asked Mr. Morgan for a



loan of \$1,000,000, stating that I had not current securities, but could arrange for an issue of bonds secured by a first mortgage on a manufacturing property.

Mr. Morgan was thoughtful for a moment and then said: "I'll let you have the money."

And instead of naming conditions that would be best for him, he continued: "You would find a collateral loan a burden, so I will purchase the bonds."

He gave me a check for \$500,000 without security, for immediate needs. That afternoon he said to Frank Stetson, who was to draw the mortgage: "Flint did me a favor seventeen years ago and asked one of me only today, so I thought it was my turn."

I owed eight London bankers very large amounts, in addition to requirements here, and notified them that I could not meet what I owed at maturities. The London bankers then cabled Lawrence McKeever, agent of the London-Brazilian Bank, to consult Mr. Morgan as to what would better be done. In answer, Mr. Morgan said to Mr. McKeever: "Give Flint his head and you'll get every dollar."

And they did.

## CHAPTER IX

### A SOCIETY FOR TESTING HUMAN CREDULITY

IN the older days one always belonged to a "literary society": we did not have so many professional amusements then, so we amused ourselves and had a good time at it.

For several years I was a member of the Philologian Debating Society of the Brooklyn Polytechnic, and out of this organization grew what was probably the most extraordinary secret body the world has ever known. Among the members of the Philologian were Dr. Henry Van Dyke the famous author; Charles F. Chichester, who became Treasurer of the Century Company; Frederick W. Hinrichs, the political reformer; and William E. S. Fales, who was regarded by everyone as a man of genius.

None of his friends can ever forget Fales, the many-sided, with his massive head and his blond curls, his high, broad forehead and square jaw, deep chest and steel muscles. Six feet of splendid physical manhood, he loved to display his powers and often exhibited his mountainous biceps. But though he might have excelled as an athlete, his herculean strength was more than equalled by his wonderful mental equipment. Books had been his friends

from childhood, and he loved to ponder over "many a quaint and curious volume of forgotten lore." Research, a natural flow of language, a brilliant fancy, and a glowing imagination, led him naturally to literary composition.

Like champagne, he was often effervescent, sparkling, and overflowing. Much that he emitted was like froth, but much, too, was substantial and weighty. He even had his periods of gloom. He would deliver a talk on the history of Satan, and follow it with a paper on the origin of obscene words. This, in turn, would be succeeded by a lugubrious poem on death, or on the final "wreck of matter and the crash of worlds." While in addition to exercising his skill in the realm of the imagination, he was addicted to mathematics and scientific research.

But despite his gifts, Fales lacked purpose and the will for sustained effort. He was conscious that he could surpass most men if he cared to exert himself. This circumstance, as in the case of the hare and the tortoise, frequently caused his failure, a duller competitor securing the victory.

He often said that life was a joke and he generally appeared to make this epigram the maxim of his career. Thus, while he was recognized by his fellows in the Columbia School of Mines as the most brilliant mathematician that school had ever had, and as a student who in less time than any other could accomplish a given task, after leading his class in the first year he fell to the middle in the second year, and failed of graduation in the third. An enraged father sent him to Brazil to follow a business career. Tiring of that after a year's absence, he returned



*Fred W. Kimrichs*



Young Fox

Wm. M. Ivins





to New York and to Columbia, where he passed his examinations and received his degree after a very brief period of study. From the School of Mines he went to the School of Law. Indeed, there is little that he did not attempt.

For a while he taught a class of small boys at a Sunday School, and he filled their pockets with—cigars. He challenged a missionary to compete with him in a petition to Heaven. He lacked reverence, absolutely.

He was a great debater; but quite conscienceless, for he would volunteer on either side of a controversy, whatever his opinion as to the real merits of the question. There seemed to be no subject upon which he was unprepared to speak interestingly and with effect.

It seemed to his associates in the Milton Literary Association that there was no height to which he might not have climbed, had he been governed by a high purpose. Hinrichs has preserved many of Fales' letters. These two men were different in their ideals, but each had the warmest affection for the other. Fales had a big heart, and much is pardoned one who is generous.

In 1868 the Milton Literary Association was organized and with this association the Philologian Society was merged. Its incorporators were A. Augustus Healy—for many years President of the Brooklyn Institute of Arts and Sciences—myself, and other members of the Philologian Society.

For six years the Milton Association met weekly in the rooms of the Hamilton Literary Society, of which Seth Low was the most prominent member, and which

subsequently became the Hamilton Club. The Milton was an exclusive society, no one being admitted until he had been pronounced intellectually fit by a unanimous vote of the members. In its conceit, it blackballed no less a personage than Hon. William M. Ivins who was afterwards generally regarded as one of the most brilliant men in the city of New York, and who, at a later period, was admitted to the membership of the Milton. We debated all questions concerning the heavens above, the earth beneath, and the waters under the earth.

After six years the Miltonians became engrossed in professional and business affairs and the meetings of the Association were discontinued, but reunion dinners were held every few years. At one of these reunions Ivins arose, and to the surprise of all, disclosed the existence of an organization named "Hiraf," which, he said, had been created more than thirty-five years before, "for the purpose of testing human credulity!" The name "Hiraf" was an acrostic made up of the first letters of the names of five Miltonians.

*H* stood for Frederick W. Hinrichs, the man who probably ran for more important public offices, without being elected, than any man in the United States. In 1896 he ran for Lieutenant-Governor of New York on the Gold Democratic ticket; in 1897 for President of the Borough of Brooklyn, on the Seth Low Fusion ticket; in 1898 for Attorney-General of the State of New York, on a Citizens' ticket which was to have been headed by Theodore Roosevelt; in 1903 for Comptroller of the City of New York, on a Fusion ticket, headed by Seth Low for mayor. In 1904

he was nominated for Governor of New York by a faction of the Democratic Party, and the nomination was seconded by his brother Miltonian, A. Augustus Healy. He is generally known for his independent speech and his consistent opposition to political machines.

*I* stood for William M. Ivins, who was one of the ablest lawyers in New York. He became City Chamberlain, and was one of the leaders who brought about the adoption of the secret ballot. Governor Charles T. Hughes appointed him chairman of a charter commission, and he was most active in drawing a proposed new charter for Greater New York—which a prominent politician told me was “the best charter that could have been drawn for the people, but the worst for the politicians, and, therefore, would never be adopted.” At the request of Governor Hughes, Ivins drew the laws under which the public utilities commissions have been appointed. On behalf of the City he acted as counsel in the investigations of Tammany Hall; and he also ran for Mayor of New York City.

*R* stood for James C. Robinson, whose part in the activities of the “Hiraf” is evidenced by a letter which I will quote on a succeeding page.

*A* stood for Charles Frederick Adams, an able and learned lawyer practicing in New York.

*F* stood for William E. S. Fales.

That evening we learned from Ivins that the “Hiraf” in its efforts to test human credulity and to contribute to behavioristic psychology, conceived the idea of sending an article to a Boston magazine, the *Spiritual Scientist*,

which was one of the most important spiritistic publications in the United States. The article was prepared by four members of the "Hiraf," who without consultation with one another, wrote psychic and esoteric sentences which were transmitted to Fales, who was known as the "conjunctor," and whose duty it was to combine into a more or less consistent whole the efforts of the various contributors.

Hinrichs, the only surviving member of the "Hiraf," recently visited the Boston Athenæum and made extracts of the "Hiraf" article from the dusty files of the *Spiritual Scientist*, together with extracts from the editorials which it evoked. The article was published in two successive issues of the magazine and occupied about twenty columns. The following extracts from the article present a fair idea of its general character and make evident the genius of Fales, the "conjunctor." Some of the language, although conceived in the spirit of testing human credulity, seems almost prophetic. The article was entitled:

### ROSICRUCIANISM

BY HIRAF \* \* \*  
■

Omitting the introduction the article states:

"Within the past few years some attempt has been made to solve the mystery of life by scientific investigation. The facts and theories in regard to the correlation and conservation of force, advanced by Count Rumford, Grove, Faraday, and Liebig, have started new methods of investigating life. It is determined that light, heat, elec-

tricity, and motion are all convertible material affections. This has led to the generalization that no force is ever annihilated.

“All matter now existent has been from time everlasting. Of late the theory, first enunciated by the genius of Boscovitch, that all matter is static combination of forces, has justly engaged the attention of philosophers. It will thus be seen that the law of dynamic conservation embraces the universe.

“From the ultimate essence have sprung or evolved the countless varieties and concatenations of force and matter, all interdependent and all cognate with the unknown centre.

“The oriental philosophers taught the same dogma but in grander forms; to them the universe was of God, was God—there was no God but the combined forces and laws manifested in the great universe.

“Through all ages and in every land there have been those who saw and wrote in eternal words the oracles of the infinite. Few indeed they were—few indeed can be those who deny to themselves the pleasures of this world to revel in the joys of the soul.

“Therefore, we claim, that at this day, when the whole scientific world is awakening to new and startling revelations, because of the magnitude of the field, we are in danger of passing over the greatest of great mysteries. There are a few minds, which, either in their greatness or happy in the secret possession of the richest wisdom, are awaiting their time, when scientific turbulence shall have subsided, to give unto the world the fruits of their ripest



knowledge. Like the ancient gymnosophists, who invented (?) the everburning mystic flame, they are still unwilling that the world should share with them the secret of secrets.

“But even the blindest are becoming conscious that, in the history of the human mind, Cabalism, Alchemy, and Rosicrucianism have not been accorded their proper place, and that the great nursing-mother of all later intelligence, Ancient Egypt, has been overlooked with rare perversity. Many are conversant with the Nilotic liturgical formulas, but a knowledge of the esoteric religious ideas within these, as symbolic manifestations, is confined to a remarkably small circle.

“Who can trace the central solar conception through the length and breadth of those radiant ideas and ceremonies? Can we look the great Ra in the face and not be blinded by his splendor? Can we raise the dim veil from Isis and Osiris?

“If pre-Christian Rome has perpetuated herself by the adoption of a new religion from the East, we can see shining through as a germinal principle the cultus of Elgobal, and the measure of its inherent truth is the measure of its inheritance from the Cabala and the mystic learning of the Orient. The scientific presumption that the end has been reached is as sadly ludicrous and unphilosophical as the cosmic myth of the World tortoise. Sabism converted Christianity, and Cabalism—shall convert science.

“Before the Ain-soph (En-soph) whom Spencer has unwittingly discovered, the thought of India, the formulas

of Egypt, and the science of modern Christendom, stand forever reconciled, in perfect harmony.

“If then the Cabalists who stood nearest to creation saw and explained the causes of all life, all form, all law almost in the words of Spencer, so far as they go—if the world, having forgotten them for ages, now awakens to the truth of a part of their teachings, where is the logic in denying the truth of the remainder thereof, if such remainder flows naturally from what precedes?

“Those who devote their lives in purity and righteousness to the search of wisdom, become, after a time whose length depends upon their subjective and objective inertia and the divine forces—untrammelled by the bonds of sense and passion, and behold the universe no longer ‘through a glass darkly,’ but face to face.

“To him, the novice, the all-world is threefold, the sphere of man, the sphere of nature, and the sphere of God; or, as is laid down by the ancient sages, microcosm the macrocosm, and the super-mundane emanations. The evolution of life is perpetually from the macrocosm into the microcosm and is the third physical emanation. The microcosm is *one* in its end, viz: the attainment of the spiritual and the final co-association with the Eu-soph; it is several in its growth, viz: in the gradual elimination of the mundane, and the macrocosmic bonds.

“The lowest life is the microcosmic bud, and is self-locked, seeing naught, knowing naught of its illusive environment; the higher life, the microcosmic flower, be it of the beast, or of the swarming millions of men, dimly sees and knows itself and the other self; but, purblind, reckons

these the end-all and the be-all, here and now, as well as yonder and forever. The highest life, the microcosmic fruit, half realized in a few grand types—Christ, Buddha and perhaps Khoung-fou-tsee—pierces the clouds which surround and shut in the soul and seems in never-failing beauty, the august emanations of Him, styled Perum, Bom, God or Al-fadir.

“To him who rises through study and holiness into the higher powers, all mysteries become unravelled, and new faculties, or the new use of old faculties, is given. Right—moral and mental right—becomes moral, mental, and physical might.

“The sage becomes the magi, the master of the Ku Klos. He transmutes all elements, interchanges and forces, and thus defies time and space; learns, though he never uses it, the secret of immortality and life—and works ‘Miracles’ such as were wrought in Galilee.

“To the adept of the first, the novice of the second, the all-world is two-fold—flux and reflux. The one is justice, truth, courage, power; the other, mercy, love; “Altruism” in the latter-day tongue.

“The one is centripetal, and matter; the other, centrifugal and force. The one is male and vertical; the other, female and horizontal. The All combining these is the Divine of the Unknown, and hence his symbol, the composite of emblematic lines—the cross. Hence, the microcosmic flower, unwitting, but with truth, has always typified the Invisible by the cross. Be it among the Christians who employ the ‘Crucifix’; Scandinavians and Goths, ‘Thor’s hammer’; Latins and Greeks: ‘Jove’s Thunder-

bolt'; Mohammedans, the 'intersected crescents'; Egyptians, the 'Cruciform Ibis'; Aztecs and Toltecs, the 'black X' of their teocalli—the same symbol stands forth, forever significant.

"Thus marriage, the union of male and female, is the microcosmic cross. But, alas! at the same time it is the confession of man's inability to realize the ideal of the fourth physical emanation. At times, however, in the history of our race, have appeared those who have achieved their desire. **AND THIS IS THE END OF THE BRETHREN OF THE ROSY CROSS.** The true Rosicrucian never marries, in thought or deed, but preserves himself aloof from the allurements of earthly passion. His principles go further. To him, happiness is a phantasm, the object of living is symmetrical development of the soul. The attainment of this aim requires the subjugation of the lower self—the macrocosmic mixings of the third emanation. Wants, desires, and ambitions are sent, like unbidden guests, away.

"To the adept, of the second, the All is one. One spirit actuates, in manifold manifestations, the Cosmos which is but an emanation itself. In the sphere of man, the spirit is the soul, in the sphere of the Universe it is the stellar energies; and in the third sphere it is the first principle, the Unknown. Thus, the Rosicrucian, in his symbolic hieroglyphics, depicts the soul as a little flame, a spark or a flickering star; the macrocosm a sea of observed light, or a full moon; and the panurgic power, by the ever-blazing sun. (Thus it may have been remarked by my readers that a short communication from the Brotherhood



of Luxor in a past number of the *Scientist* was signed  
 \* \* \* whereof both the star-points and the outline are  
 \* \* \* symbolic of spiritual truths.)

“The All is neither create nor uncreate; for these are conditional of limitation in time and space, and the All is illimitable, or—as the English metaphysicians have phrased it—unconditioned. Likewise, with the minor integers of the All;—of them neither create nor uncreate can be predicted. Their experiences are from chaos unto their re-association with the Divine. Until, therefore, the solemn moment of apotheosistic concomitance, the passage of the soul through the ever-changing vale of circumstance goes on. So that the Rosicrucian may exclaim, in the words of the stern Roman general:

““Through what variety of untried being,  
 Through what new scenes and changes must we pass!””

Truly, an article to ponder well!

The “Hiraf,” despite its almost superhuman ability, was not making much progress until a brilliant woman with brains and money in prospect, came to the office of Ivins to retain him as her counsel, to bring about the reformation of a deed to certain lands on Long Island which stood in the name of another woman, but in which the lady claimed a half interest. The suit was tried at Riverhead, the court reserving its decision.

The circumstances of the trial were interesting, for Madame, who was her own principal witness, testified quite contrary to the way in which her attorneys assumed she would testify. Ivins had associated with him in the



trial Fales, who was then a law student. As cautious lawyers, they had gone over the testimony with Madame before the trial, and had advised her as to what points she should emphasize; but, to their great discomfiture, on the witness stand she took the bit in her teeth and galloped along lines of evidence quite opposed to their instructions, giving as a reason, when they complained of her testimony, that her "familiar," whom she called Tom King, stood at her side (invisible to everyone but her), and prompted her in her testimony. After the court had taken the matter under advisement, Madame left the city, but wrote several letters to Ivins asking him as to the progress of the suit, and finally astonished him by a letter giving an outline of an opinion which she said the court would render in the course of a few days, in connection with a decision in her favor. In accordance with her prediction, the court handed down a decision sustaining her claim upon grounds similar to those which she had outlined in her letter.

In Ivins' disclosure of the "Hiraf" he stated that Madame had surprised him by her remarkable intellectual powers and apparent second sight; that she was engaged at the time of the suit in translating such works as Buckles' *History of Civilization* and Darwin's *Origin of Species*, into Russian; and that she asserted that she could tell the contents of a book without reading it, and could specify material which appeared on any given page.

This lady was Madame Blavatsky, who obtained control of the *Spiritual Scientist* and who became mainly instrumental in the organization of the theosophical movement in New York City. The part that was taken

by four members of the "Hiraf" in connection with the organization of the Theosophical Society is described by a letter dated New York, November 2, 1875, addressed by Robinson to Hinrichs who was then studying civil law at the University of Goettingen.

"Last Saturday, Ivins, Fales, Adams and myself took a carriage and went over to the preliminary meetings of the Theosophical Society at the house in 38th Street of Mrs. Harding Britton, a well known spiritualist and preacher. At the meeting were Colonel Olcott, Madame Blavatsky and a host of the most 'pecolliar' people I have seen for many a day.

"At that time the constitution and by-laws were adopted. It was a sight to make a corpse laugh, to hear and see Fales as he stood there, stolid as a sphinx externally, and internally a laughing harlequin, as he made suggestions and amendments. Poor Olcott! He evidently loved those fine phrases, those mysterious and meaningless clauses, but the boys were pitiless.

"Fales would move to substitute, amend and strike out, and out she would go. Whole chapters were wiped out, and chapters were elided, and alterations were made until you would not have known the thing! We had lots of sport.

"I sat on the sofa with the Madame, who smoked cigarettes the whole evening and talked extravagantly."

When Madame Blavatsky published the "Hiraf" article in the *Spiritual Scientist* she wrote two learned and de-



Helena Petrovna Blavatsky



With hearty regards—

Yours sincerely

Wm. E. S. Fales



tailed editorials, from which I give the following quotations as illustrations of the esteem in which she held the mysterious "Hiraf."

"Ridicule is the deadliest weapon of the age, and while we read in the records of history of thousands of martyrs who joyfully braved flames and fagots in support of their mystic doctrines of past centuries, we would scarcely be likely to find one individual in the present time who would be brave enough to defy ridicule by seriously undertaking to prove the great truths embraced in the traditions of the past.

"As an instance of the above, I will mention the article on Rosicrucianism, signed 'Hiraf.' This ably written essay, notwithstanding some fundamental errors, which, though there are such, would hardly be noticed except by those who had devoted their lives to the study of occultism in its various branches of practical teaching—indicates with certainty to the practical reader that, for theoretical knowledge at least, the author needs fear few rivals, still less superiors. His modesty, which I cannot too much appreciate in his case—though he is safe behind the mask of his fancied pseudonym—need not give him any apprehensions. There are few critics in this country of Positivism who would willingly risk themselves in an encounter with such a powerful disputant, on his own ground. The weapons he seems to hold in reserve, in the arsenals of his wonderful memory, his learning and his readiness to give any further information that inquirers may wish for, will undoubtedly scare off every theorist, unless he is perfectly sure of himself, which few are."



Ivins in his talk to the Miltonians, in referring to Madame Blavatsky's comments on the "Hiraf" article also alluded to meeting Mrs. Besant in London, where Madame Blavatsky had previously established her headquarters, and to his discussing theosophy with this lady. In the course of conversation with Mrs. Besant, she, to the intense interest of Ivins, quoted from the "Hiraf" article as authority, to strengthen her position in an argument which they were having as to occultism, mysticism and theological doctrines.

Although the "Hiraf" article was written by young men upon the threshold of their careers, partly as an exercise in mental gymnastics, or even as a literary hoax, nevertheless we must be struck by the fact that recent advances in science and some of the arts make us believe that the time is not far distant when some of the dreams and visions which have been entertained by theologians, philosophers, and prophets in the past may be realized.

Reference previously has been made to Mrs. Besant's quoting from "Hiraf" as an authority, in a conversation with Mr. Ivins. It is interesting to note that "Hiraf" is also quoted by theosophists in the United States and elsewhere. Surprising though it may seem to some, the attitude of the leaders in the theosophical movement apparently offers a complete answer to those who may regard it as astonishing that such a document as the one whose inception I have described should receive respectful consideration from them—for they say that Madame Blavatsky herself invariably asserted that what she wrote and uttered was not always her own creation, but some-

thing that was whispered to her from "the beyond." And, in harmony with that statement, parties interested in the theosophic movement have insisted that whatever the origin of the "Hiraf" utterances may have been, the authors were, without their knowledge, inspired, by a power over and beyond them, to utter words of weight and possibly prophecy.

Whatever adverse opinion may still be entertained as to Madame Blavatsky and her cult, it cannot be denied that her teachings contain much that is interesting, even elevating, and that she has managed to affect many, many thousands, from India in the east to California in the west.

Two score years ago, when theosophic movement was in its infancy in the United States, it was spoken of lightly by some and positively condemned by others. One Sunday, an entire page in *The New York Sun*, was devoted to Madame Blavatsky and her cult. This article was embellished with her portrait and other illustrations. Some things that were written about her there were incredible on their face; others, as investigation showed, were without any basis of fact. Hinrichs tells me that he was retained by cable from London, sent direct by Madame Blavatsky, to sue Charles A. Dana of the *Sun* for libel. After looking into the facts, Hinrichs brought an action in the New York Supreme Court for \$50,000 damages. The action was defended by Colonel Bartlett, the brother of the subsequent Chief Judge of the Court of Appeals, who was counsel for the *Sun*. The case dragged its length along in the courts for some little time. Mrs. Besant was

summoned from London, and came to New York, where she was examined as a witness before trial. At last, apparently through the intervention of Mr. Paul Dana, a recantation and apology were written in the form of an editorial and published in the *Sun*. Madame Blavatsky sent word to Hinrichs that she was perfectly satisfied, and the case was dismissed.

## CHAPTER X

### YACHT RACING, AND THE FASTEST YACHT IN THE WORLD

I DO not remember how young I was when I learned to scull a boat, but I well recall my pride when, at eleven years of age, accompanied by another lad, I started out at the helm of a catboat for a cruise down Georges River. For food we depended on fish, potatoes and a firkin filled principally with doughnuts and pies. After sailing ten miles, a strange looking schooner hove in sight, and when we came alongside of it I recognized the captain, my father's best friend, for whom I was named. He was Charles Everett Ranlett, of the Edward Everett family, who was returning with a graduating class of Bowdoin College that he had taken to Labrador, Iceland, and Greenland.

Although I had much youthful experience off the coast of Maine in deep-sea sailing and fishing, it was not until 1879 that I took up the sport of yachting. In that year I purchased the sloop yacht *Gracie*—the largest sloop yacht in America. Her purchase required some strategy. I applied to the owner's broker, who told me that he could not sell me the *Gracie*, as Herman Oelrichs, who was then testing her speed down the bay, was negotiating to buy her. However, learning that the owner, Jack Waller, was on his

way to New York from Bar Harbor on his newly acquired yacht the *Dauntless*, I sent telegrams addressed to him at every harbor he was likely to put into, offering \$7,500 for the *Gracie*, subject to immediate reply and immediate delivery. Within a few days I walked her deck as owner.

To minimize the cost I took in three partners, Edmond Robert, Joseph P. Earle and Wendell Goodwin—all of us bachelors—and we made the *Gracie* our summer home. Robert, a Swiss, who is an excellent English scholar and who speaks French, Italian and German, was then senior agent of the Credit Lyonnais, and the youngest banker of importance in New York. He had brought a letter of introduction to me from Edward Baring, who afterwards became the first Lord Revelstoke. We were a happy quartette when we sailed on the New York Yacht Club cruise of 1879, in which the *Gracie* won honors in the contests between ports.

In reviewing our experiences in racing the *Gracie* I will confine myself to three events that are unique in the annals of yacht racing.

Owing to the pressure of business, I was unable to be on board the *Gracie* at the Buzzards Bay race of 1880 for the Spirit of the Times Cup, but I arrived at New Bedford the morning after the event. As soon as I joined my shipmates, including "Bob" Bacon, one of our Corinthian sailors, who afterwards became Ambassador to France, they informed me that, at the end of the race, the yachts had run into a dense fog, and that they believed that the *Gracie* had won, but the Regatta Committee had awarded the cup to the *Mischief*. I immediately took steps to get



the facts, and ascertained from those on board a yacht owned by Weld of Boston, which was anchored at the finishing line to observe the end of the race, that the *Gracie* had crossed the line before the *Mischief*.

Armed with this information I went on board the flagship, repeated the statement of the men on the Weld yacht and asked that the award to the *Mischief* be withdrawn. The Regatta Committee answered that the withdrawal of an award was unprecedented, but that Captain Busk, the owner of the *Mischief*, would put up the cup to be raced for again. This proposition I refused on the ground that Captain Busk did not have any right to the Cup and was therefore not entitled to put it up. The Regatta Committee closed the conference by saying that their decision not to withdraw the award was irrevocable.

Whereupon one of our Corinthians remarked: "We are not like that Irishman who, when told, 'You'll get justice in this court,' said, 'That's just what I don't want!' We not only want justice but we must find a way to get it."

Knowing that Captain Busk was an Englishman, it occurred to me to telegraph my Custom House broker for the name of the owner of record of the *Mischief*. The name that came back was the name of the Chairman of the Regatta Committee.

I have never doubted that the Chairman and all the members of the Regatta Committee were acting in good faith, but we thought that the testimony of the men on the Weld yacht, at the finishing line, should be conclusive; and

so did the Committee, on sober, second thought, for they finally withdrew the award to the *Mischief* and awarded the cup to the *Gracie*. I then offered the cup to be raced for again.

In the second race, over the New York course, the *Gracie* again won, and the Spirit of the Times Cup is now on my sideboard.

A second unprecedented yachting event occurred when a squall off the high land of Staten Island carried away the topmast of the *Gracie* as she entered the race. On board the Club steamer a score of cries announced the disaster.

“The *Gracie* is crippled!”

“The *Gracie* is beaten already!”

But the crew, every member of which was a Corinthian—including Fred Tams, Emlen and Alfred Roosevelt, the founder of the Seawanhaka Yacht Club, Wallace Soule and Sidney Chubb—made up their minds to take the one chance in a thousand of winning. The Corinthians rapidly cleared away the wreck, saved the balloon jib topsail which was under foot, and hoisted and lowered to the deck the stump of the topmast. The *Gracie* being to windward of the *Mischief* was able to blanket her sufficiently to hold her alongside down to the southwest spit. In the meantime one of our Corinthians, a school-mate of mine from Maine, went aloft, shinned up the broken spar and made fast a rope around the broken end of the topmast so that we succeeded in setting an improvised spinnaker. The *Mischief* running free with all sails set, topsail and spinnaker intact, gained on us, of course, very rapidly; but we felt that although we should

be far behind when she rounded the lightship, we should have a fighting chance, since the yachts had to beat home against a strong wind, and a topmast would have been of no advantage to either craft. In fact, the *Mischief* came to the lightship with a housed topmast.

Noting this, Mr. Fresh, who was on board the Club steamer remarked, "Don't you think that was a very courteous act, the *Mischief* lowering her topmast because the *Gracie* hasn't any?"

"Courtesy be damned," replied an old salt, "there's no courtesy in yacht racing!"

The *Gracie* gradually picked up on her antagonist and finally crossed the line a winner. The backers of the *Gracie* on the New York Yacht Club and excursion steamers were hilarious. That evening the Corinthian crew of the winning yacht, joined by Thomas Baring of Liverpool, had a joyous dinner at the New York Club to celebrate a victory the like of which was unheard of in yachting circles and which has never occurred since.

The third exceptional event occurred in 1881, when the *Gracie* sailed a race with the *Mischief*, while the latter was defending the America's Cup. The contests between the two yachts for the honor of defending the America's Cup had been very close. In a twenty mile test to windward and back, the *Gracie* was ahead of the *Mischief* by several minutes, but owing to a tow which got in her way, our boat lost that test race by only two seconds. While there was no question as to the Committee's fairness in selecting the *Mischief* as the defending yacht, we owners of the *Gracie* wanted to show the speed of our craft.

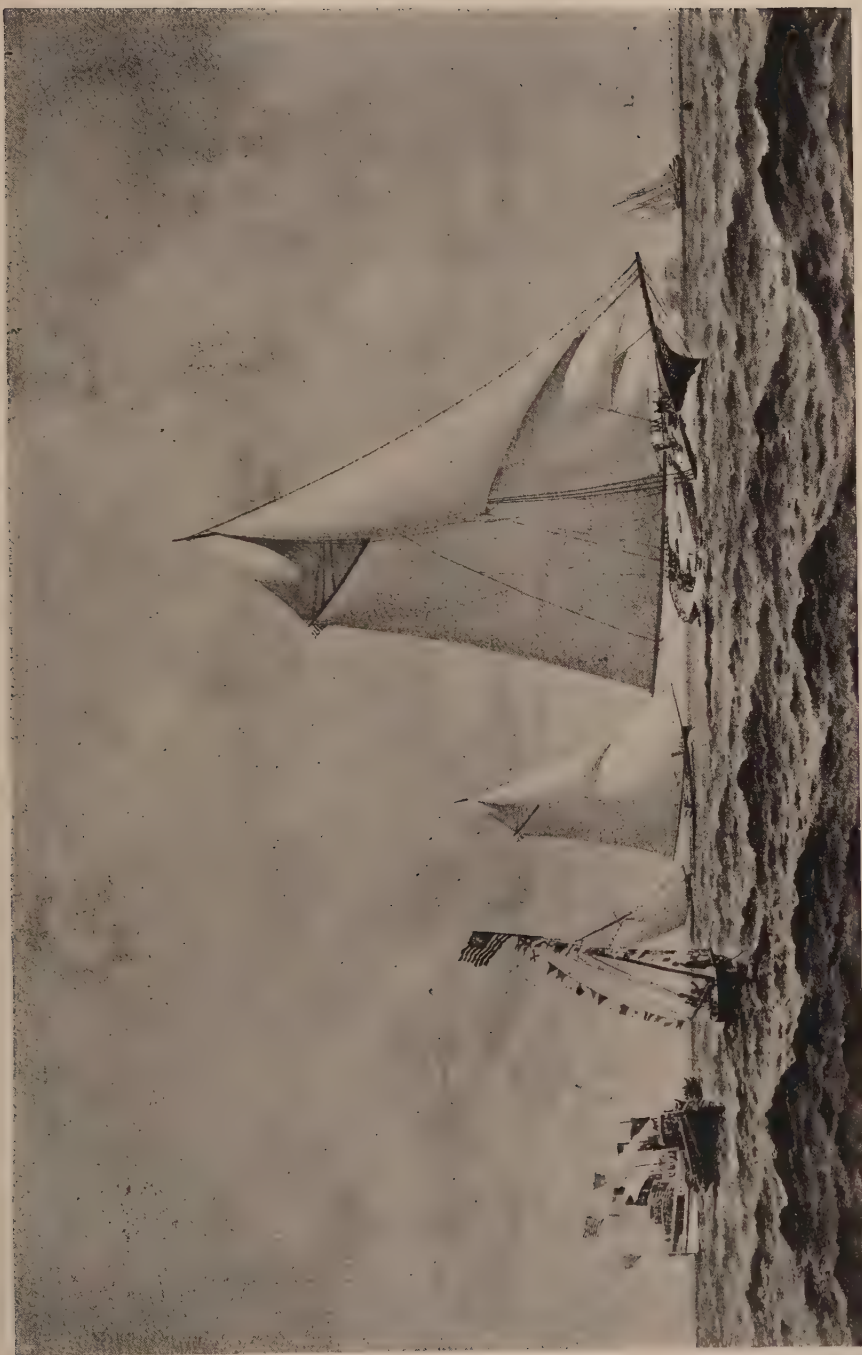
We were heavily handicapped, as we could not endanger in any way the protection of the America's Cup. The *Mischief* could take the wind out of our sails and blanket us when we tried to pass her, but we could not take the wind out of our rival's sails by passing her to windward, as such an action might have endangered America's hold on the Cup. But the handicap did not prove insuperable, for within a mile of the finishing line, when the yachts were running free, there came a strong gust of wind which enabled the *Gracie* to get away from her antagonist and to slip over the finishing line ahead of the *Mischief*.

The people on the steamers were enthusiastic and very appreciative, for we had given interest and excitement to a race which otherwise would have been very tame, as the Canadian yacht, the *Atlanta*, was practically not in the contest, being over two miles behind at the finish.

The greatest pleasure in yachting is in entertaining, and this was particularly true fifty years ago when there were not as many yachts as there are today. It is unusual for a yacht owner to invite women guests on board when his yacht is to race, but on the occasion of the annual regatta of the Larchmont Club in 1881, I made up a yachting party in which were included Miss E. Kate Simmons, who became my wife, Hon. William M. Ivins, William Baird, the well known baritone of the Mendelssohn Glee Club, and a Russian, Mr. Gisiko, a popular amateur singer.

It was a closely contested race, so that there were cheers to gladden my heart as we went over the line a winner. There was an added thrill that few yachtsmen have ever





"Atlanta" "Mischief"

The "Gracie" going over the line a winner after sailing against the "Mischief" which had been selected to defend the America's cup—The "Gracie" was badly handicapped as she had no right to pass her antagonist to windward





experienced; as the *Gracie* went flying over the finishing line, the rich contralto voice of Miss Simmons, mingling with the voices of Baird and Gisiko, rang out in a song of joy.

The following day was Sunday; and, while my men guests still slumbered, I arose and went to the residence in Larchmont where Miss Simmons was a guest, to accompany her to church. How my friends took my church going is best described by this little poem from the pen of William M. Ivins, which I find in the *Gracie's* log book.

It was only a day on the *Gracie*  
The first of the season, you know;  
And we all love Flint's yacht, trim and racy,  
Which won—but we won't stop to blow.

The wind came up warm from the southwest,  
That rarest of rare days in June,  
And Gisiko's voice stood the prime test  
Of his wildest Bohemian tune.

The blue skies of Heaven shone on us,  
The shadows danced over the sea;  
But the eyes of the ladies there won us  
As Heaven can't win you, boys, or me.

One face there transcendently lovely,  
Another transcendently bright,  
Made the day quite too awfully lovely,  
Full of utterly utter delight.

And the story again was repeated,  
And the conquest of Helen of Troy,  
Whose, *esprit*, I suspect, has defeated  
The resolves of the Flint-hearted boy,

Who played host to us that summer morning,  
 While he whistled his brave bachelor airs  
 With his brave anti-marital scorning,  
 But—boys, look at that brace of chairs.  
 Who sat there goes quite without saying—  
     Of course it was Gisi and I,  
 While Baird sang in response to our praying  
 With a voice to own which I'd die.

But of beauty Man ne'er knows satiety,  
 And Flint's seldom left in the lurch,  
 So next day he succumbed to his piety,  
     And actually that race-winning Sinner put  
 on his best bib and tucker and without breath-  
 ing a word of it to the fellows who had weath-  
 ered it through the night with him tuned up  
 his best psalm-singing voice and went over  
 to Larchmont to church!

I was a member of the Cup Defender's Syndicate which won the races of 1893 with the yacht *Vigilant* against Lord Dunraven's yacht *Valkyrie II*.

I had learned of the prowess, endurance, and pluck of his Lordship from Nova Scotian Indians (who had accompanied me moose hunting, coming to me the same night that his Lordship had given them an honorable discharge) and I knew of him as an all around sportsman. He made an excellent impression on the members of our syndicate when we dined his Lordship on his arrival from England. But, after his yacht was defeated, the opinion became general that he was not a good loser, and thereafter the New York *Sun* always referred to him as Lord Dunracing.

In contrast one may note Sir Thomas Lipton's sportsmanlike bearing in the presence of defeat, which won for

him the admiration of American yachtsmen. The Larchmont Yacht Club, at a grand reception to Lipton, expressed its regard for him in verse. The chorus, to the tune of *Tommy Atkins* was loudly sung.

"Oh! Tommy, Tommy Lipton, we have welcomed you  
before

And we hope to welcome you a thousand times or more,  
We have faith in our *Reliance* that it will win the Blue,  
But losing, Tommy Lipton, we had rather lose to you."

I was a guest of Lipton on board the steam yacht *Erin* when his *Shamrock III* lost the first of the series of races of 1903. He was naturally greatly disappointed. With his experienced eye, after seeing the American yacht *Reliance* sail, he realized that Nat Herreshoff had won at the drafting board not only the first but the series of races of that year, as both yachts were sailed with about equal skill. After the first race, the representatives of the press asked this disappointed man to grant them an interview. Sir Thomas ordered Scotch whiskey and soda; his natural geniality came to the rescue, and the ordeal was soon and happily ended. But the incident did not pass off without a jarring note. While conviviality was the order of the moment, a cub reporter of a Chicago newspaper, to the disgust of the other representatives of the press, butted in on the good fellowship of the hour and addressed Lipton: "Sir Thomas," he said, "you said if there was plenty of wind you would beat the *Reliance*."

With his ready Irish wit Lipton replied: "If we had had as much wind as you are said to have in Chicago, we should have won."

The expense of yachting is generally supposed to be very heavy. One reason for this is that many yachts are built very much larger than is suitable for our inland waters. Personally I found yachting cheap enough. The *Gracie* furnished a summer home, and by taking in three partners the expense was divided by four. I bought the *Nada* for \$3,700 and, after running her for two years, sold her to Gould for \$7,000. The *Fiseen* and the *Javelin* I transformed into torpedo boats for a South American government. The forty-five foot steam yacht *Sport* I sold to advantage.

The sale of this last yacht was a rather amusing transaction. A man came to my office and asked the price: I told him \$1,500. He said that this figure was ridiculous and belittled my yacht. He intercepted me, however, on my way to the Downtown Club where I was in the habit of lunching, and I told him that after listening to his opinion of the *Sport* I had decided to advance my price to \$1,800. He turned on his heel with the remark that I was "trifling"; but the next day he came to my office to dicker again. I told him the price was \$2,500. He slammed the door as he went out of the office. On my way down to dinner that evening the bell rang. I opened the door and there was the would-be buyer again. I immediately told him that the price was now \$3,000.

At which he quickly answered: "I'll take her before she goes up another dollar."

He had, of course, a good reason for acceding to my price. This yacht had been built for me by Herreshoff, with twin screws and universal joints on the shafts, so



that she could run at low speed in eighteen inches of water by raising the propellers, while by lowering the propellers she could run at high speed in deep water. She was the only yacht in the United States that fulfilled the purchaser's requirements.

In the case of the *Arrow*, I will explain a profit on a cost of \$160,000. During the preparation for, and the continuation of, our war with Spain I was spending about four days of every week in the Navy Department and was impressed by the fact that, according to the naval records, the Spaniards had a larger torpedo fleet than the United States. So I ordered two quadruple expansion engines of 3500 horse power each, with the intention of building a second class torpedo boat in association with Lewis Nixon. But after Cervera had been defeated the United States Government did not want a small torpedo boat at any price, and there was no way of marketing two highly refined 3500 horse power engines. I then decided to make the world's record for speed on the water, and, although I knew by experience that aluminum disintegrates when it is used in boat construction for salt water, I made up my mind to build a very light hull. The result was that the *Arrow* steamed a measured mile at the rate of 45 and  $\frac{6}{10}$ ths miles per hour.

Nothing that I have ever done has given me such wide publicity as the *Flint Arrow*. The *Arrow*, making the world's record for speed on the water, was shown in the movies throughout the world. In publications showing the fastest locomotive and the fastest horse, and picturing athletes, the *Arrow* was usually included. When it

became manifest that there would be a Russo-Japanese war, I sent a model of the *Arrow*, transformed into a torpedo boat, to the Grand Duke Alexander Michaelovitch. The reputation as an expert in high speed which the *Arrow* had gained for me went far in giving me a profit on its cost in connection with my purchase, for Russia, of all suitable munitions available in the United States, and my selling to Russia eight submarines and ten torpedo boats.

My log-book was one of the most enjoyable features of yachting, and now it is a joy as an aid to reminiscence. The ordinary log-book, and often a guest-book, is as monotonous as that diary described by Mark Twain in which the writer entered daily that he "Got up, washed, and went to bed."

At a dinner which I gave to Major A. E. W. Mason, the author of *The Four Feathers*, at the Lord Baltimore Dower House in Maryland, Patrick Francis Murphy took the bill of fare on which the word "Menu" was painted in brilliant colors, and derived from it this apt epigram. "It is not what you eat, it is the Men-U meet!"

So in yachting, it is not the miles you sail, but the inspiration to pellucid thought that comes from "mixing your blood with sunshine and taking the wind into your pulses."

Let me give some extracts from the log, starting with diplomats (and I have in mind a remark made to me by James G. Blaine under whom I spent one year in the diplomatic service: "After all, Flint, the only real diplomats are women.")

Steam Yacht *Arrow*, the fastest yacht in the world



Model sent to the Grand Duke Alexander Michaelovitch at St. Petersburg



In Commission as Pleasure Yacht



Making Record Speed at the rate of 45  $\frac{6}{10}$ ths miles per hour



Therefore it seems fitting that I should first refer to the occasion when Mrs. Flint and I entertained on board the *Arrow* Countess Cassini, accompanied by the Secretary and attachés of the Russian Embassy.

They boarded the yacht at Jersey City, on the arrival of the train from Washington, and we steamed up the Hudson River to the Ardsley Club. A half circle was formed to receive us, and the president of the Club extended to the Countess a graceful welcome. All looked to her to say something in reply. It was an ideal day in the month of roses, and the Ardsley grounds, where the company was assembled, never looked more beautiful. The Countess turned to me and asked: "What is the name of the place where we are to go this evening?"

"Dreamland," I replied.

With a wave of her pretty hand she remarked: "It commences here."

From Ardsley we steamed to the Atlantic Yacht Club, which was decorated with flags. There the Countess, abandoning her diplomacy, lost her temper, and demanded: "Why do you bring me to a club decorated with Japanese flags—the flags of the nation with which my country is at war?"

I had had nothing to do with putting up the Japanese flags, but here was a case that needed presence of mind and quick action. I sent at once for the International Code of Signals, handed the code to the Countess, and called her attention to the fact that the flag with the white ground and the red ball stood for the letter C.

"Countess," I explained, "we thought that the greatest



compliment we could pay you was to have the most prominent feature of our decorations the letter 'C,' which stands not only for Countess, but for Cassini.

In seeing the sights at Coney Island we were accompanied by a police escort and special attention was given to make the sights attractive to the Countess. As we approached the wee small hours I ventured to remark to her: "It is getting late and the Count may be anxious about you."

The reply was characteristically diplomatic: "Yes, father may worry a little, but now that we are here he would expect me to see everything."

Which she did!

The *Arrow* was the first vessel built in the United States to adopt the only radical change in ship modelling that had been made for thousands of years, namely, the flat floor aft or flat run, which prevented squatting and which upset all previous tables of the power that could be put in different lengths of hulls. There was put in the *Arrow* three times the maximum horse power—7000 H.P.—that was allowed in the old table. The yacht was 132 feet long and weighed only 67 tons. This was a condition and not a theory when Lewis Nixon came on board, and I asked him to write in "The Log." He was a true prophet when, on July 12th, 1904, he wrote: "In the *Arrow* we see the perfection and maturity of the steam engine. In this there is seen the need of further advance which will be the gas engine—no boiler—no steam—smokeless—noiseless—always ready."

The following month J. P. Holland generally known as the inventor of the submarine was my guest. He gave



Countess Cassini

Sailing Master Packard



Departure of the Russian Portsmouth Peace Commission. Members of the Russian Embassy on board the *Arrow*. The fastest ocean steamship and the fastest yacht



credit where credit was due when he wrote in "The Log" August 15th, 1904 as we steamed up the Hudson River:

"Within sight of our course, Bushnell, the father of submarine warfare, made his experiments in the hope of developing weapons with which to destroy his enemies. We already have good grounds for hoping that the complete development of his idea will more probably result in the *ending* of naval warfare than in the destruction of our enemies' ships.

J. P. HOLLAND."

## CHAPTER XI

### PAN-AMERICAN DIPLOMACY

IN 1889 the Harrison Administration invited the independent nations of the western hemisphere to send delegates to an International American Conference to be held in Washington for the purpose of cementing diplomatic and political relations and extending commercial and financial relations among the conferring nations.

The United States delegates to the Conference were U. S. Senators Davis and Henderson, William Henry Trescot, T. Jefferson Coolidge, Cornelius N. Bliss, Andrew Carnegie, Clem Studebaker, George H. Hanson, Morris M. Estee and myself. I was the youngest delegate to the conference, having been appointed on account of my seventeen years' active experience in international trade. The official name of the conference was the International American, but it became popularly known as the Pan-American Conference. Congress appropriated \$100,000 to cover expenses, and the Wallack Mansion was rented for our use.

The first important matter requiring official action was the election of a president. A few days before the date of the official opening, all of the delegates assembled at the





Delegates from the eighteen nations of the Americas to the first International American Conference held in Washington 1889-90



The Bureau of American Republics established on the recommendation of the International American Conference. The idea of the bureau was initiated by the author who formulated the plan for its organization when serving as U. S. delegate on the Committee of Customs Regulations. Mr. Carnegie presented the building.



Wallack Mansion. While we were talking informally in groups, Mr. Trescot came to me and suggested that the United States delegates should retire in order that the Latin-Americans might meet by themselves.

I replied: "As we are meeting on the basis of equality and fraternity, I see no reason for separate meetings."

Mr. Trescot then told the other United States delegates and me that the Latin-Americans had requested this privilege.

An intimate friend, a Latin-American delegate, warned me that the idea of electing Trescot president of the conference was taking shape. It seemed that something was up!

On the following day, the Latin-American delegates met in the large room, and the United States delegates in an adjoining room where all were present except Mr. Trescot. A letter from him was read, stating that he would be unable to attend the meeting because of illness in his family. I immediately moved that a committee be appointed to go to Mr. Trescot's residence in order to impress upon him the importance of attending this first meeting of the United States delegation.

I was appointed chairman of the committee with Mr. Hanson, a Democrat, of Georgia.

Mr. Trescot was not at home, so we proceeded to the State Department and there found him closeted with one of the Latin-American delegates.

At this discovery I said to Mr. Trescot: "It is important for you to come with us at once to meet your colleagues of the United States delegation. And, by the

way, there is a rumor that you are a candidate for the presidency of the conference."

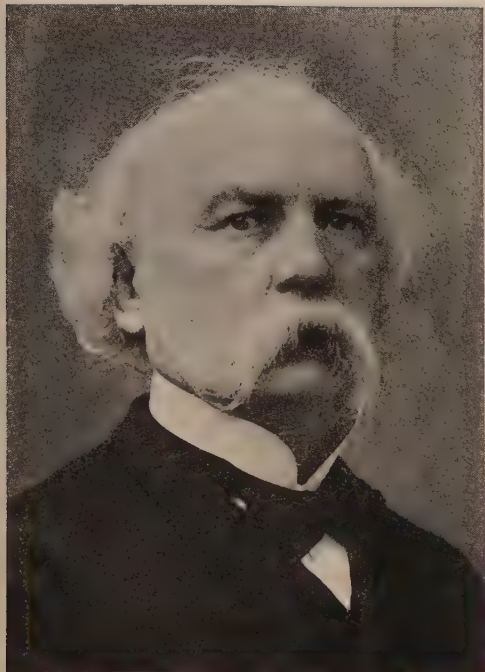
This speech seemed to embarrass him a little, and he replied with the question: "Well, what had I better do?"

"I have been in diplomacy one day," I answered, "and you have been in it thirty years; I would not presume to give you any advice except to say that it is very important for you to come with us at once to the meeting of the United States delegation." As soon as we arrived at the meeting in the Wallack Mansion, I moved that we proceed in a body to the State Department and ask Secretary Blaine to act as president of the conference, which motion, of course, was unanimously carried. Secretary Blaine accepted the nomination.

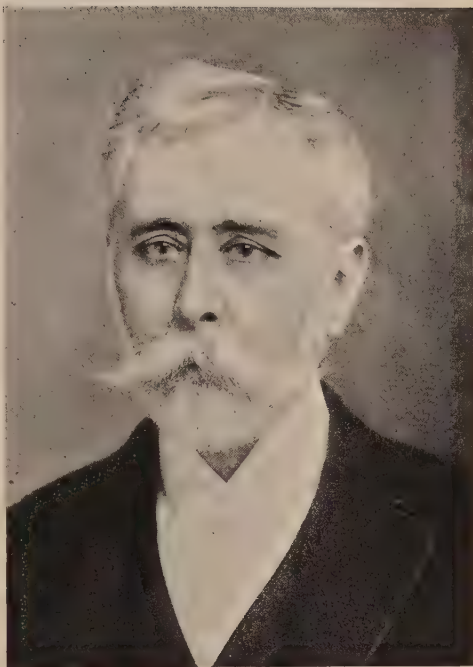
Returning to the seat of our deliberations, our Chairman, Senator Henderson, went in to the room where the Latin-Americans were assembled and announced that Secretary Blaine had accepted the nomination for the presidency of the conference.

The men in Trescot's confidence, some of whom were his clients, who were endeavoring to bring about his election as president, had advanced the idea that Secretary Blaine, not having been appointed a delegate to the conference, was not eligible for the office. This move on the part of Trescot's friends would not have assumed importance had not the renowned orator of South America, Manuel Quintana, who later became president of the Argentine Republic upheld this point of order. But that wise old diplomat, Consellero Lafayette, the senior representative of Brazil, spurred by the rivalry between his country and





William Henry Trescot



Manuel Quintana



Matias Romero



Charles R. Flint





Argentina saw his opportunity to score a point against the senior delegate of the Argentine and immediately arose to combat Quintana, stating that it is an invariable custom that the Secretary of State of the nation where an international conference meets shall be elected President of the conference. A heated discussion ensued. Quintana was the better speaker, but Lafayette was right. Senator Henderson retired, while the dispute was still unsettled.

When the Senator reported the situation to his colleagues, Carnegie said that evidently the matter was not understood by our friends from the south, and that he would go and arrange it. He came back without success. Then the genial Mr. Bliss went to talk to the Latin-Americans, and returning announced: "I don't understand those people."

He then turned to me.

"Flint," he said, "you are the only one here who has had extensive and intimate relations with the Latin-Americans. We don't understand them. We have met to celebrate the good will existing between the eighteen independent nations of the Western Hemisphere. If we start in with a row over the presidency, it would add to the gaiety of Europe, but in the interest of the Americas this matter must be immediately and unanimously settled. We appoint you a committee of one, with full power to settle it."

At my request Minister Romero of Mexico arranged for me to meet the delegates of Argentina under his auspices. Realizing that the repetition necessitated by translation

would be most impressive, I asked Romero to act as chairman and interpreter. I then addressed the Argentine delegates.

"Excellencies," I asked, "am I correct in understanding that you regard Secretary Blaine as qualified to fill the position of president of the conference?"

"Undoubtedly," they replied, "there is no man in the Americas who is so well fitted to head the conference as Secretary Blaine."

"I understand," I continued, "that you have only one objection to his election, which is that he has not been appointed a delegate to the conference."

"Yes," they replied, "that is our only objection."

"I will settle this difference," I quickly said, "I am the youngest member of the United States delegation; I will resign tonight and Secretary Blaine will be appointed a delegate so that he can be unanimously elected president of the conference at the meeting tomorrow."

I had worked hard and against many aspirants for the honor of being a delegate of the United States to this conference, and when I made that proposition I felt I was making a great personal sacrifice. But I had in mind that Dr. Quintana had admired a black pearl I had worn. As is the custom between Spanish gentlemen, I had said, "It is yours." And, like a true *hidalgo*, he had returned it to me. When I offered to resign, Dr. Quintana, high spirited Spanish gentleman that he was, handed me back my "verbal pearl."

"We have come eight thousand miles," he said, "to attend the first meeting of this conference and we know

that another meeting is not to be held for two months, but rather than have you, a friend of Latin-America, resign, we will be too ill tomorrow to attend the conference. Then Secretary Blaine can be elected president, unanimously, and you can remain as United States delegate."

Before this I had had only one interview with Secretary Blaine; but when the other United States delegates told him of this incident, it naturally brought about an *entente cordiale* between Secretary Blaine and myself, and from that time on, although I had been appointed as a Tilden Democrat, I enjoyed his entire confidence.

The day after Blaine's election he asked me to call at what was known as the Red House, in contradistinction to the White House.

"The most serious purpose of my life," he told me, "has been the creation of means to prevent war, and now the height of my ambition is to bring about the celebration of a treaty by which all Inter-American disputes will be settled by arbitration."

He added that within a few days he would formulate such a treaty, which he had every reason to expect would be adopted by the conference.

In reviewing the history of the efforts which had been made to bring about international arbitration, I found that in 1881—eighteen years before the establishment of the Hague Tribunal—Blaine, then Secretary of State, foreseeing the dangers of industrial greed, initiated a movement to bring about precisely such a world court.

Realizing that America should take the lead in this, as she had in the development of representative govern-

ment, Blaine had sent invitations to the American nations to participate in a general peace conference. He seemed to have a vision of the frightfulness of a world war and its calamitous consequences, which he expressed in his invitation, written thirty-three years before the world war, defining the purposes of the conference.

"Its sole aim shall be to seek a way of permanently averting the horrors of cruel and bloody combat between countries, or the even worse calamity of internal commotion and civil strife; that it shall regard the burdensome and far-reaching consequences of such struggles; exhausted finances, oppressive debt, onerous taxation, ruined cities, paralyzed industries, devastated fields, ruthless conscription, the slaughter of men, the grief of the widow and orphan; with a legacy of embittered resentments, that long survive those who provoked them and heavily afflict the innocent generations that come after."

Unfortunately Blaine was succeeded by a Secretary of State who withdrew this invitation, so the International American Conference of 1889-90 came to Blaine as a long awaited opportunity, and he felt that the practical operation of an Inter-American arbitration treaty would prove an object lesson to the old world.

Realizing the dangers of competitive armaments, Blaine was never deceived by the propagandist argument of the European munitions profiteers that increasing military power is a guarantee against war.

After a few days, I again called on Secretary Blaine and he handed me his proposed Inter-American Arbitration Treaty to read.



The Treaty suffered the usual fate of being translated literally into Spanish for the benefit of the Latin-American delegates, which eliminated all of the genius of expression which Blaine had put into it. Very naturally the eloquent rhetoricians among the Latin-Americans, having only the Spanish translation, felt that Blaine had not done the subject full justice, and they drew up a treaty in Spanish, of course a very creditable document, but which, on being turned over to the official translators, met the same fate as the Blaine draft, being robbed of its eloquence when reduced from Spanish to English.

Dr. Mendonca, the Brazilian Minister, and I took this English translation to Secretary Blaine at the Red House. Dr. Mendonca was a loyal friend of the United States and was treated by Secretary Blaine with great frankness. Blaine did not hesitate to show before us his disgust at this translated copy. He tore it into bits and threw it up in the air. But that was only an incident.

Most of the countries represented in the conference, appreciating the generosity of the United States in subordinating its superior power to arbitration, and foreseeing the great benefits to be gained, expressed their desire to enter into the treaty; but the signature of Chile was necessary for its execution.

Now the Chilean delegates had in general favored arbitration, but unexpectedly, the junior member of the delegation announced in a long speech that Chile would not sign the treaty at this time. The Chileans realized that such an agreement would fix territorial boundaries in the Americas, and might interfere with plans to unite Chile

with land recently won by conquest from Peru by annexing a portion of Bolivia.

Secretary Blaine, presiding, ordered a recess. I went to him to ascertain his views regarding the unfortunate refusal of Chile to sign the arbitration treaty at this time. Blaine had a keen sense of humor to which, like Lincoln, he often had recourse in illustrating the true inwardness of political situations.

"Flint," he said, "I am reminded of the position finally taken by Isaiah Smith of Augusta at a revival meeting. Isaiah listened to the fervent revivalist night after night, until he took a seat under the pulpit, and at last declared to a friend: 'I've made up my mind to jine the church, but as I have a woman scrape on hand, I don't want to jine just yet!'"

That evening the Chilean delegates invited me to dinner, and were anxious to obtain from me the views of my government as to the refusal of Chile to sign. I said I would state its views provided they would agree to cable them to their Minister of Foreign Affairs in the exact words of our Secretary of State. This they promised to do—so that Blaine's illustration may now be solemnly reposing in the archives of the Chilean Government!

The itinerary of the 5200 mile trip made by the delegates included three days in Chicago. On our arrival at the railway station, guns boomed and a regiment of soldiers escorted us to the Grand Pacific Hotel where the Mayor delivered an address of welcome. After that we were taken in charge by a reception committee composed of prominent citizens, and it was manifest to me

that, while Chicago in any event would have entertained the representatives of the nations of the Americas most generously, our hosts were not neglecting the occasion to further their claims that Chicago was the best place in which to hold the World's Fair in 1893. The delegates were entertained privately by the members of different committees, much champagne was opened, and late suppers were enjoyed, always with the hope that one of the Latin-Americans would express his opinion that Chicago was the ideal place for the World's Fair. But my Latin-American colleagues were all experienced diplomats and they dodged every trap that was designed to evoke from them any expression of opinion regarding the purely domestic question in which their Chicago hosts were interested.

The Chicago entertainment ended with a great banquet at which I spoke as the United States delegate to the conference. My speech dealt with the proposed inter-continental railway, with the unification of the customs regulations, and with the establishment of inter-American arbitration. It was not until I neared the close of my speech that I took advantage of the anxiety of the Chicago Committee to get an expression of opinion regarding the World's Fair. Feeling my way, I made the commonplace remark that while we had had an excellent opportunity of forming an opinion as to the manufacturing industries of the United States, the best opportunity of judging the products of our farms and factories would be at the World's Fair in 1893. This commonplace reference provoked applause. As soon as the diners became quiet, I ventured the statement: "All of the men with whom I

have talked seem to think that the best place in which to hold the World's Fair in 1893 is the City of Chicago!"

The audience went wild, they rose and waved their napkins, and the Chairman of the World's Fair Committee of Chicago stood up on his chair and proposed three cheers for the Honorable Charles R. Flint! I then held up my hand and said: "A moment, gentlemen, I desire to explain. I have talked with only three on the subject and they all live in Chicago."

This was followed by much groaning.

I then proposed a toast, having in mind the fact that the Latin-America delegates had accepted the invitation of the United States to meet us at the conference in Washington as a demonstration of good will, that Inter-American peace was to be assured by a treaty of arbitration, that the great constellation in the heavens of South America stood for that sentiment, and remembering that the Latin-American nations had modeled their constitutions and forms of government after their Big Brother of the North, and that the best known constellation of the North was relied on for direction.

I proposed a toast in Spanish:

"El Cruz del Sur—emblema de Paz y Concordia la Estrella del norte—un guia seguro." Following in English: "The Southern Cross—Emblem of peace and good will; the North Star—a sure guide."

James G. Blaine, while a man of remarkable ability, did not have a commanding presence like Daniel Webster



and Grover Cleveland. He was, however, impressive, and magnetic. He had a genial nature, was tactful, and had a wonderful memory which enabled him to recall names of persons and incidents of special interest to his listener. He had a fine sense of humor, and I found it a great pleasure to work with him. And he assumed that you would sometimes read between the lines!

At one time Blaine was being attacked by the *New York Times*. I told Mr. Blaine that I was on good terms with its editor and that I thought I could exert some influence in causing the newspaper to be more careful in the attacks that it was making on him, to which Blaine quickly replied: "Don't take the trouble, Flint, I don't mind being abused so long as I am not forgotten."

It was the irony of fate that Chile, the one country which refused to sign at the International American Conference, should be the first South American nation to need the benefit of arbitration. Early in 1892 some citizens of Valparaiso assaulted the crew of the U. S. Cruiser *Baltimore*. "Fighting Bob" Evans was in command, and when he learned of the outrage he remarked: "This may end in a row; but if they fire on my ship all hell will smell of garlic."

Shortly after this Mr. Blaine telegraphed me, asking if it would be convenient for me to come to Washington. On my arrival I went to the Red House. To my surprise he did not specifically explain the object of his telegram.

He merely said, "It is unfortunate that the President



is writing a message to send to Congress, bulldozing the little republic of Chile, which will have a very bad effect on all the Latin-American states and to a large extent will nullify the work of the International American Conference in furthering friendly relations with the Latin-American countries."

There was no question as to the soundness of Blaine's views. Also there was no question but that President Harrison intended to follow his own.

I realized the delicacy of Blaine's situation, and bade him good morning. I knew he had said all that he could say. From the Red House I went to the Brazilian legation where I told Dr. Mendonca, the Brazilian Minister, of the proposed message of President Harrison, and suggested to him that it was his duty, with his complete knowledge of Inter-American politics, to send a cable advising his Government to offer mediation between Chile and the United States.

Mendonca replied: "It is the invariable rule that before a minister sends a cable of that character he must receive the approval of the Government to which he is accredited."

I told him that I was familiar with that fact, but there had been cases where strong able men had made exceptions to the rule.

"This is your opportunity," I pointed out, "you can render a service not only to Brazil but to all the nations of the Americas."

He finally asked me to write out a message that I would recommend him to send, which I did, as follows:

“War possible between Chile and United States unless Brazil offers mediation to both countries in order to settle matters by arbitration in accordance with existing American international law.”

The cable went out. And of course Blaine knew about it. He then called President Harrison's attention to his address as Secretary of State to the Latin-American delegates in closing the conference:

“If in these closing hours the Conference had but one deed to celebrate, we should dare call the world's attention to the deliberate, confident, solemn dedication of two great continents to peace and to the prosperity which has peace for its foundation.”

The differences between the United States and Chile, which Blaine called “our younger sister,” were finally removed without the employment of menace or force.

## CHAPTER XII

### THE WAY OF A TROUT WITH A FLY

FISHING has been described as "a line with a worm at one end and a fool at the other," but I am sure that the author of this definition never cast a fly or enjoyed the more difficult sport of accurate plug and bait casting.

My first experience of fishing was when I was eleven years of age, at a point of rocks below the Topsham Falls on the Androscoggin River in Maine. I had a very strong line, as the striped bass that ran up to those falls from the sea sometimes weighed twenty-five pounds, and fishermen generally provide tackle strong enough to catch the biggest fish. I tied one end of my line in a buttonhole of my jacket, threw my baited hook out into the swift current and pulled it slowly in with great expectations. Becoming careless after many throws, I suddenly slipped and rolled down the rocky incline into the water. Not knowing how to swim I was carried down by the current. It is astonishing what quick thinking one does under such conditions. I had been brought up on the theory of original sin, with hell and damnation as a last resort. My inability to swim left me no recourse save prayer. The current turned into an eddy. I felt my line tighten—it had caught in a crevice in the rocks—and with the return current of the

CAMOUFLAGE  
Irvin Cobb and "Bob" Davis



"Yes, Robert, it was a Small Mouth, Red Eye Black Bass."

"How much did he weigh, Irvin?"

"Seven pounds, four and three-quarter ounces."

"Any witnesses?"

"Yes! Otherwise that Black Bass would have weighed eight, nine or perhaps ten pounds."





## THE WAY OF A TROUT WITH A FLY 163

eddy I pulled myself in so that I could reach the ledge. When I told my grandmother of my experience, she said my life would never have been saved had I not gone to church three times every Sunday and regularly blown the church organ.

My fondness for fishing has been enhanced in recent years by my association with Irvin S. Cobb and R. H. Davis, who, although unequalled in the preparation and appreciation of good food and unexcelled in exciting good fellowship and convivialities at the festive board, "had rather fish than eat."

The largest black bass we ever caught we sent to my friend and neighbor Theodore Roosevelt. When he received it, it weighed eight pounds, but when we caught it, it weighed six pounds, the difference being a two pound fish pushed into the stomach of the big-mouthed bass. On the opposite page is Roosevelt's letter of acknowledgment. If it had not been for four woodcocks which we sent him with the bass we might have had some compunctions of conscience about that extra two pounds.

There are occasions when generosity on the part of a fisherman is fraught with disaster, as may be seen from the following incident.

One afternoon, while resting on the mossy bank of a Long Island brook from which I had taken half a dozen trout, my eyes fell upon a cluster of wild violets. It struck me as an excellent idea to gather these flowers, moss, leaves and all, and place them on a basket of fish which I was sending to Lyman J. Gage. I had often left fish at Mr. Gage's New York apartment, but this time I

wanted to "say it with flowers." Hence the violet-created decoration.

Unhappily, about the time the basket arrived, Mr. Gage and Frank A. Vanderlip, who shared the same apartment, were suddenly called to Chicago and Mr. Gage, thinking my gift was purely a floral offering, placed it conspicuously on the grand piano in the music room, where the violets, thanks to the wet moss and superior brand of fish fertilizer, continued to bloom buoyantly.

When, a fortnight after, Mr. Gage returned to his domicile and sauntered into his conservatory of music, an effluvium crying "Give me liberty for I am death" smote him in the nostrils. Thereafter whenever I sent Secretary Gage any flowers, I always marked them "Fish." I didn't dare to take any chances. One never can tell where a fisherman will hide trout.

Seeking more distant waters, my brother Wallace and I decided to fish the lakes and rivers forming the northern boundary of Minnesota. I telegraphed to the Hudson Bay Company to send us two guides to Sauvanne, a station on the Canadian Pacific, forty miles west of Lake Superior. On our arrival at Sauvanne we found our two guides, both drunk, but as generally happens, one was more drunk than the other. Here was a case for daylight saving as it was late in the afternoon and we realized the urgency of getting the guides into the woods beyond the tempting influence of civilization. The guide that was uncompromisingly drunk we helped into a canoe, putting into it articles that would float and others that were not of prime necessity, and started him down the river.



THE WHITE HOUSE  
WASHINGTON

Oyster Bay, N.Y.,  
August 8, 1907.

My dear Mr. Flint:

To receive such a magnificent fish as well as four woodcock is enough to raise a very grave doubt as to whether it is really worth while being President! Certainly there is nothing recent I have done which has given me so much enjoyment as your yesterday's fishing and shooting just have you. I am greatly obliged to you. I wish I could accept your kind invitation but it is out of the question for me to leave here for that purpose.

With renewed thanks, believe me,

Sincerely yours,

*Theodore Roosevelt*

Mr. Charles R. Flint,  
South Side Sportsmens Club,  
Oakdale, L.I., N.Y.



He made a zigzag course like a drunkard walking down a sidewalk, except his zigzag was sixty yards wide, that being the width of the stream. His balance in paddling the canoe was perfect. The near sober guide took the biggest canoe with most of our outfit. My brother and I had fortunately brought a boat which he rowed while I paddled.

At dusk we came to an island and ran our canoes to the shore.

Our guides were glad to lie down and, instead of pitching their tent, we put it over them. My brother and I pitched our tent, got our supper, and slept soundly.

The next morning our half-breed conductors, without any of the hock and soda of civilization, were ready for work. They were powerful men over six feet high—broad shouldered, and, while lacking the refinement of the guides of Maine and the Adirondacks, they could paddle longer, faster, and would carry loads nearly double the weight of what those guides could carry.

We caught bass, pickerel, and trout. One evening when we landed to pitch our tent, about thirty Indians, with painted faces and clothes of many colors, rushed down to us. It looked like the movies, but the rush was only an intermission in a medicine dance. I addressed the chief, whose adornment was appropriate to his high station; his dress was picturesque, his face brilliantly painted and muskrat fur was interwoven in his long black hair.

After the manner of my Puritan forebears I started to trade with the Indian. He got the better of the bargain. I asked the chief how much to paddle across the



great lake in his big canoe. He looked at my small boat and named a "had to have it" price which I accepted. The next morning after we got ready to start, the Supreme and All Powerful having listened to the voice of an Indian siren, said it was too rough to cross the lake. The attitude of the chief was annoying to us. During the discussion, our half-breed guide, who doubtless had another siren in mind, took me to one side and said, "You make a great mistake crossing the chief. When you are walking down in that place you call Wall Street the chief can *will it* that you go lame." I told him I shouldn't mind that if I could go at all.

"We will if necessary cross the lake without you," I said to the All Powerful and to our guide.

Firmness and the price won, and we all went together. In paddling, as is the habit of the Indian, the big chief was on his knees, an appropriate position for prayer, which he offered up to the Great Father as we entered the rapids, casting his precious tobacco on the water on both sides of the canoe, and then—casting a doubt on the efficacy of his prayer, like Napoleon when he said, "The Lord is with him who has the strongest battalions"—he paddled with almost superhuman energy.

My next fishing was in Finland, catching salmon in Imatra. I was there during the white nights, went to bed as soon as it became dark at eleven, and arose at daylight at one o'clock in the morning. At the hotel I became acquainted with one of the eight messengers of the King of England—a fine, handsome fellow. We were both interested in photography. I had a sense of humor; he hadn't



Trout Fishing—Southside Club, Long Island



Kang Yu Wei and his Daughter Mrs. Lo Chong, Wife of the Chinese Consul General  
at London



—as the King's Messenger he didn't need it. It was before the movies, so photograph stories had to be made up by photos in series. He protested when a photograph was taken showing the hotel cook delivering him salmon, and he resented a series which plausibly implied the possible source of his splendid catch.

With the Wahls, who were important lumbermen, I fished for salmon in the rapids between two of the Saima Lakes one hundred miles north of Imatra, and on another occasion at a private estate in company with the American ambassador, George von Langerke Meyer, later Secretary of our Navy. I photographed His Excellency with our catch hanging on the pickets of a fence against which he was leaning—which gave me the opportunity to photograph him with a notice, that in the picture appears to be on his breast—"No fishing allowed here."

On my return to America I proposed Andrew Carnegie for membership in the best known fishing club in this country, the South Side. I drove him through the estates of two of its members, Vanderbilt and Bourne. At the last named place our host offered us some choice Scotch whiskey, which, although "coals to Newcastle," was much appreciated by Carnegie. With a real Scotch accent, the steelmaster told us of a man who had moved into a Scotch village. With characteristic curiosity the inhabitants sent one of their number to ascertain what kind of a new neighbor had come to their town. The emissary, on his return, was met with the question: "Weel, what kind o' mon is he?" "I'll tell ye," said the envoy: "He came to the door and when I went in he asked me to

hae a drink o' whiskey and he gied me a glass, an' he took the bottle himse' and began to pour—an' he said 'say when,' an' I said 'when,' an' he *stopped*—that's the kind a mon he is!" I noticed Bourne did not ask Carnegie to say "when."

On our return to the South Side Club, Mr. Carnegie went fishing; I was interested to see how \$300,000,000 would fish. He went at it as though he were pulling in another million.

Carnegie was known as one of the greatest philanthropists that ever lived, but there were few who were shrewd enough to appreciate the qualities that caused him to be publicly known as the "Canny Scot."

At the time when negotiations for the formation of the U. S. Steel Company had been initiated, I happened in at the Morgan office, and Robert Bacon, one of the partners, knowing that Carnegie and I had been colleagues in the first International American Conference, asked me to call on Carnegie and get the lay of the land in regard to the steel situation, which apparently was in a state of flux at that time. I immediately went to Carnegie's home on Fifty-third Street.

I approached this serious matter in a humorous way.

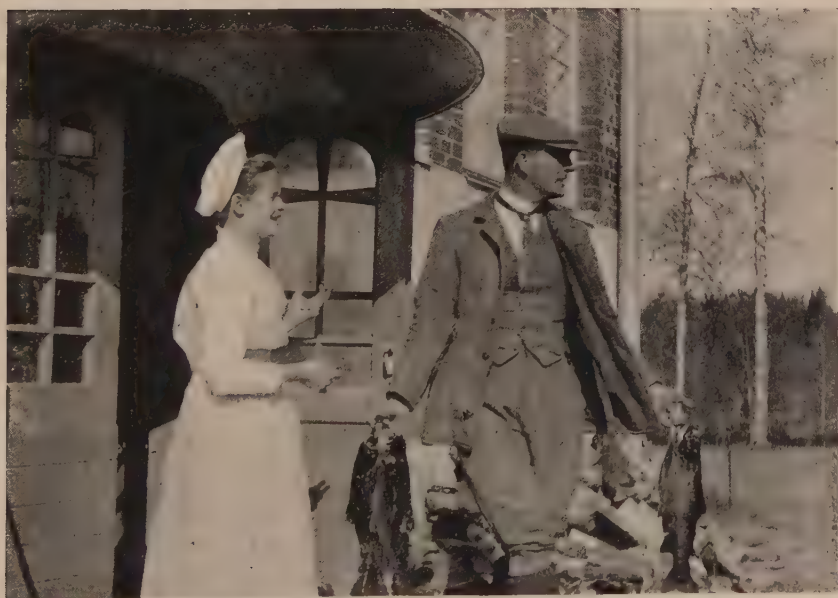
"How difficult it must have been," I said, "for Judge Moore to have kept up a smile when he sat opposite you at dinner at my home, having so recently kissed goodbye to a million dollars, as the option which he had purchased on your steel properties had expired."

"Under the circumstances," said Carnegie, "it was certainly much easier for me to smile than for the Judge,





George Von Lengerke Meyer, American Ambassador to Russia. Salmon Fishing at Imatra, Finland



One of the Eight Special Messengers of the King of England



but that option which I gave him was cheap at a million dollars; I wouldn't renew it now for ten millions."

And Carnegie smiled again.

He then spent several hours describing to me his plans for increasing his production and fabrication of steel; Carnegie knowing my pleasant relations with J. P. Morgan & Co. may have shrewdly divined that I was gathering information in their interest. I cannot explain in any other way why he gave me so much detailed information about his business.

He told me that by building a railroad from Pittsburgh to Connaught he would not only save money on freight but would also be able to give the railroad sufficient freight both ways to insure it as a paying proposition. He said that his reason for establishing a plant at Connaught was that he could make use of cheap water transportation, not only for bringing in scrap and other raw materials, but for the distribution of his products.

The proposed plant that he described was a gigantic one,—on about the same scale as the present United States Steel plant at Gary. He indicated the location of different sections, explaining how steel tubes could be produced at a lower price than they could be manufactured by the National Tube Co.; a structural steel at a lower price than it could otherwise be produced, which would enable him to undersell the American Bridge Co.; and steel and wire manufactured at a lower cost than it could be produced by the American Steel & Wire consolidation.

The three industrials mentioned had been organized by Morgan and were successful, but they had never had

to meet such competition as would inevitably have resulted if Carnegie's Connaught plant had been constructed. This was the Scotchman's way of convincing the Morgan interests of the benefits of consolidation.

After he had finished, I said:

"Mr. Carnegie, what you have told me in regard to the proposed expansion of your business, I have found intensely interesting and it naturally would be interesting to others, but I will not repeat one word of what you have said to me unless it meets with your approval."

"What I have talked to you about," Carnegie answered, "is a matter of national interest, and you are free to repeat anything that I have said."

Some time after the great consolidation had been accomplished, when the common shares of the United States Steel Corporation were selling at about 15, I happened to call on Carnegie. I entered his library, a small room, and my eye was immediately caught by a double page coloured picture from *Puck*, which was set on the mantel above the open fireplace. It was a burlesque of the great Verestchagin's painting *Napoleon's Retreat from Moscow*, in which Morgan and his associates were pictured trudging through the snow—Morgan in the costume of Napoleon Bonaparte surrounded by his generals among whom were Charles M. Schwab and John W. Gates. Some of the lesser lights tramped forlornly behind the leaders, while others, utterly exhausted, had fallen in the snow to perish from cold and hunger.

Carnegie made no comments on the cartoon. At that time there were rumors that Carnegie, in view of the low

price of United States Steel shares was likely to get back his properties through the foreclosure of his United States Steel bonds.

The appearance of Morgan as Napoleon must have been amusing to Carnegie; but he laughs loudest who laughs last, and the Morgans by concentrating their great ability on the administration of the United States Steel Corporation, caused the shares to advance over 500%. It was the shareholders' turn to laugh.

Why have the Scotch such a keen sense of humor? Because it's a gift!

Another traditional characteristic of the Scotch is their thrift, and Mr. Schwab once told me that Carnegie never forgot the importance of this virtue. One day the steel-master said to Schwab: "I have observed that you are in the habit of permitting a cab to remain at my door for a long time at considerable expense."

At that time Mr. Schwab was particularly anxious to please Carnegie, and taking this hint he resolved to be very careful not to have such evidence of extravagance occur again. But not long after, Mr. Schwab made an early morning call on Carnegie to persuade him to render him a service. Schwab was absorbed in the presentation of his case and was making very good headway when the butler intruded on the conversation to announce: "The cabman has been waiting for Mr. Schwab since eight o'clock this morning. It is now three o'clock and he wants his pay so that he can go and get something to eat."

At a dinner at my home during the Wilson administration the idea was suggested that Mr. Schwab, with his



superior knowledge of industrial conditions, should see President Wilson and give him the benefit of his advice. Delancey Nichol remarked that Schwab would not meet with success, upon which I, as host, said that that remark seemed to be a reflection upon the persuasive gifts of my guest; that I would not undertake to defend Mr. Schwab in general terms, but would be content to recount one incident which illustrated Mr. Schwab's persuasive art. The Bethlehem Steel Company sent its Vice-President to see a farmer for the purpose of obtaining some land that it was very important for the company to secure. The Vice-President came back without the land, but with the farmer.

President Grace and other officers of the Bethlehem Company all tried to get the landowner to sell his property but without success. Then Mr. Schwab entered and the situation was explained to him. He asked the farmer to sit down with him on the sofa. After half an hour the old farmer threw up his hands, exclaiming: "Mr. Schwab—you may have my land, but I thank God I'm not a woman!"

In advocating the appointment of Schwab for Secretary of the Navy, in a cabinet to be appointed with the paramount idea of securing the highest efficiency I wrote that he was not only an able executive but that he knew more about armor plate, ordnance, submarines, and war vessels generally than any other man in the world; and I emphasized my advocacy by stating that he had received more money for brains than any other man who ever lived. Irvin Cobb, on hearing the letter read, remarked: "I



To. Charles. R. Flint-

Staunch friend - Loyal Associate  
Energetic Worker True American Citizen

Sept. 10<sup>th</sup> 1923.

CM Schwab.



## THE WAY OF A TROUT WITH A FLY 173

don't agree with you: Secretary of War Newton Baker received more,—relatively to what he delivered.”

But to return to fishing in other waters than those of business. In all my fishing experience I had never enjoyed the highest refinement of fly-fishing until I fished the River Test, one of the chalk streams of southern England. I had cast my flies on the spring water ponds and streams of Long Island, the stream at Gatachina near Petrograd, but the clearest water of all was that of the River Test. That river is historic in the annals of fishermen; it was frequented by Frederick M. Halford, the father of dry fly fishing, and by all the famous fishermen of England, including G. E. M. Skues, the author of *Chalk Stream Angling* and *The Way of a Trout with a Fly*.

We know that all trout become educated; there is a difference between the way they take the artificial fly the first week of the season and during the weeks thereafter; but it seemed to me that the education of the trout of the Test had been cumulative. They do not deign to rise to the ordinary American cast. The large size of the American flies frightens them. It is not even worth while to cast *down stream* with a drawn leader and small flies. You must cast *up stream* and then if you draw on the water a wet fly or even a nymph, not one of the many trout you see so distinctly in front of you will rise. You must wait till you see a trout take a natural fly; then you put on a fly to match the one that the fish is feeding on. After which you apply a solution that helps the fly to float. After drying each succeeding cast by several rapid false casts back and forth in the air, and causing

your fly to drop lightly on the water a foot or so ahead of where the fish was taking the natural fly, your patience may be encouraged by a rise as your fly floats downstream. If this is not successful, you must allow your fly to float several feet below the fish so as not to frighten it and then retrieve for another cast.

After this highly refined operation, you may have caught only a brace of trout during the morning. You go to the club much embarrassed by what you suppose to be a very small catch, having in mind the big catches which you bragged about the night before with so much pride and conceit. But you are astonished and relieved from your embarrassment when your English friends hearing of your catch, congratulate you on being "high line."





To / Mr. Charles R. Hunt with the warm regards  
of Sarnoff Arvine Washington 21 March / 1890



## CHAPTER XIII

### JAMES G. BLAINE AND RECIPROCITY TREATIES

I MET Secretary Blaine for the first time on the train from New York to Washington a few days before the opening of the International American Conference, which I have previously described. In talking of trade extension, he expressed a desire to bring about treaties of reciprocity with the Latin-American States and said that it was his idea to ask for free flour, and free oil. He asked me my opinion—as an international trader—regarding the best basis for such treaties. I could have answered his question immediately, but I felt my opinion would have more weight with the Secretary if I took time for consideration, so I told him that his question was so important that I wanted time for reflection, and that if he would mention an hour when I could see him I would give him my views. He then named nine o'clock on the following morning at his home.

When I called upon him at the appointed hour, I told him that after giving the matter thoughtful consideration, it seemed to me that in arriving at the basis for treaties with Latin-American countries we must consider the fact that their revenues are principally derived from imposts.

I suggested that, instead of asking for the free admission of a few of our products, it would be wiser to request a small reduction on many articles, which would be sufficient to increase trade along many lines without seriously reducing the revenues of the Latin-American states.

I also pointed out that the adoption of this policy would cause every section of the United States to be interested in the success of the proposed treaties—because of the variety of products affected—and that when those treaties came before the Senate, every section of the country would naturally advocate their confirmation.

Secretary Blaine replied that my suggestions were not only practical from the standpoint of an international trader, but that my point in regard to interesting every section of the country was good statesmanship; and he asked me to open negotiations with Dr. Mendonça for the formulation of a treaty with Brazil on the basis that I had outlined. Dr. Mendonça was one of the ablest of the Latin-American ministers, and within a few days the basis of the treaty was settled, submitted to Secretary Blaine, and received his approval. The fact that every section of the United States was interested in those reciprocity treaties proved to be of great value, as there were men of weight who opposed Blaine's Latin-American policies.

At that time Reed, known as the Czar, was Speaker of the House of Representatives. I thought it important to ascertain his attitude toward Blaine's reciprocity policy, so I arranged to have him interviewed by a newspaper reporter, who called on him and requested his views on reciprocity.



Salvador de Mendonça



T. Jefferson Coolidge



Andrew Carnegie



Cornelius N. Bliss





“Reciprocity!” He demanded. “What in hell is reciprocity?”

Nor was Senator William M. Evarts enthusiastic about reciprocity? In his case there was no personal prejudice against Blaine, as there was in the case of Speaker Reed, but Evarts, instead of regarding reciprocity as a step in the direction of free trade, looked upon it as the highest evolution of protection in that it would extend the wall of protection from the states of the United States to many of the states of the Americas and might lead to a war of tariffs.

Secretary Blaine, some time after the adjournment of the First International American Conference, telegraphed me to meet him on the train at Philadelphia, to ride with him to New York. As soon as I met him he remarked that action had been taken to bring about the passage of the Aldrich Amendment to the McKinley Bill and that Harrison had sent a message to Congress advocating that amendment. I told him that in my opinion that message would probably be filed away in the dusty archives of Congress, that it would be far more effective if, immediately on his arrival at Bar Harbor, he would write a vigorous open letter advocating reciprocity. This he did and his letter was published from one end of the country to the other. The nation was startled by the statement of this old time protectionist that “the McKinley Bill without the Reciprocity Amendment would not make a market for a single bag of flour or barrel of pork.”

In this interview Blaine complimented my foresight in having at the outset proposed as a basis for the treaties of

reciprocity differential duties on many articles, so that every section of the country would be interested in the passage of the Aldrich Reciprocity Amendment. I suggested that we should get resolutions passed by the boards of trade and chambers of commerce throughout the country, remarking that it was very much easier to bring an idea east than to push it west—which he approved. Resolutions were first passed by the trade organizations on the Pacific Coast; the movement swept eastward, the last resolutions being passed by the Chamber of Commerce and trade organizations of New York. The Aldrich Amendment became law, and many treaties of reciprocity were entered into under it.

In formulating the Brazilian and other reciprocity treaties, I suggested to Secretary Blaine that it would be advisable to have a lawyer draw those documents, but that it would be very prejudicial if a lawyer changed the figures. Secretary Blaine then asked me who I thought would be the best lawyer to draw said treaties, and I told him John Foster, which I knew accorded with the secretary's own views.

"The State Department carriage is at the door," he said, "And in order that you may be entirely satisfied as to the conditions, I suggest that you take my carriage, go to Mr. Foster's residence and retain him, on behalf of the government, to draw the reciprocity treaties. In that way you can clearly state to him that he is retained with the understanding that no changes will be made in the basis of the Brazilian treaty as negotiated by you with Dr. Mendonça."

A very interesting situation arose in Canada during the election campaign of 1890. The most prominent plank in the Liberal platform was a proposed treaty of reciprocity between Canada and the United States. If the Conservatives could destroy that plank by merely *negotiating* with the United States, they would increase their chances of success. Information was received that negotiations to that end would be opened by Sir Julian Pauncefote, the British Ambassador. The idea of the Conservatives was that the mere publicity of the negotiations would destroy the reciprocity plank of the Liberals.

Sir Julian called at the Red House and congratulated Mr. Blaine on the success of his trade expansion policy, and advanced the idea of a reciprocity treaty with Canada. Blaine responded promptly, and, taking a large telegraph blank, such as is used at the State Department, commenced writing conditions of the proposed treaty. It was manifest that Sir Julian was very much pleased with the progress he was making until, at the end of the memorandum Secretary Blaine wrote:

“It is mutually agreed that no publicity will be made of these negotiations without the written consent of both parties.”

The next day Secretary Blaine showed me a four page letter from Sir Julian, couched in the most delicate diplomatic terms, in which he tried to pry open the door sufficiently to give an excuse for making the negotiations public. But the letter which Secretary Blaine wrote in reply not only closed the door, but bolted it.

## CHAPTER XIV

I CONTINUE TO SERVE BELLIGERENTS—JAPAN—U. S. A.

I HAD gained considerable reputation as an expert in armament through furnishing munitions to Peru, Brazil, and other belligerents; so, when the war between China and Japan threatened, His Excellency, I. Kurino, the Japanese Minister to the United States, asked me to buy war vessels for his government, to the amount of \$17,000,000. I explained to His Excellency the difficulty of a belligerent purchasing war vessels, telling him that it had never been done. I made it clear that I would not bribe any officials to secure the desired result; but I agreed to see what could be accomplished by diplomacy. I knew that the *Esmeralda* had been built for Chile by the Armstrongs and was one of the best cruisers afloat. At that time the relations between Ecuador and Peru were strained. Discovering that Chile could be persuaded to sell the *Esmeralda*, I sent for the Consul General of Ecuador in New York, and told him that I would show him how he might render an important service to his Government. I made the point that if Ecuador could do a favor to Chile, Ecuador need not fear any aggression on the part of Peru. The Consul General asked me to write a cable which I





1895 Japanese Minister to the United States  
1904 Japanese Ambassador to Russia

March 2<sup>nd</sup> 1904

My Dear Mr. Thib-

I am rather ashamed  
to acknowledge that failing  
in diplomacy. I am on  
the way of retreat but this  
can no longer be helped  
and only thing now hoped  
for is our success in pro-  
secution of war not only on  
account of my own Country  
but of general interest of  
the Commercial world.

Yours Very Sincerely  
I. Kurihara



would recommend him to send to his government. I did so and in it I made clear the way in which Ecuador could serve Chile's interests, and suggested that the President of Ecuador should immediately give the necessary instructions by cable to his minister at Santiago to facilitate the sale of the *Esmeralda*. At the same time I cabled my Chilean agent to confer with the Ecuadorian minister at Santiago.

When the plan was all "set," I was in a great hurry to cable £120,000 to the Rothschilds in London, the financial agents of the Chilean Government. So I went to see J. P. Morgan and informed him that I was anxious to close an important deal by obtaining a cable transfer at once. Mr. Morgan answered that he would attend to the matter personally, and I then had a chance to observe his quick mastery of figures and details. Within an hour the Rothschilds received the money from Mr. Morgan.

That same day the *Esmeralda* sailed from Chile flying the Ecuadorian flag with a crew instructed to deliver the ship to Japan no matter what flag was flying, but to go via the Galapagos Island. At this island the Ecuadorian flag came down, the Japanese flag went up; and they sailed for Yokosuka, where formal delivery was made.

Everyone came out of this transaction with profit. Ecuador was relieved of anxiety regarding Peruvian aggression; Chile received a good price on the sale; Japan paid in all about \$1,500,000 for a fine modern cruiser; and the officers and men who had delivered the *Esmeralda* received a handsome gratuity.

I remarked, incidentally, to Kurino that I had spent \$30,000 that had not been anticipated. He said: "Send me an account of same, and a draft for the amount will be sent to you." I replied: "We have no legal claim for that expenditure." Whereupon he promptly answered: "That is unnecessary; anyone who serves Japan in time of war does not need to have a technical claim to get his money." In due course I received the \$30,000.

In proposing a health to His Excellency at a dinner which I gave to Kurino in my home, after the war, I referred to the success of Japan in her conflict with China. In his response the Japanese minister modestly disclaimed credit for the success of the war, saying "We were simply fighting the obstinate conservatism of China."

Kurino was an able man and a patriot. He was the Ambassador of Japan to Russia at a most critical time. On receiving his papers from the Russian government, he left that country via Finland; and en route he wrote to me the letter that is reproduced opposite page 180.

When it seemed impossible to avoid war with Spain, President McKinley sent for me. There were present Secretary of the Navy Long, and Senator Hale and Congressman Boutelle, who were chairmen, respectively, of the Senate and House naval committees, and myself, all of us from the State of Maine.

President McKinley, not wanting it to appear that the United States was actively preparing for war, decided to take advantage of my being in a position to negotiate for war vessels without it being manifest that such



- Treasury  
William H. Wiley



John D. Long, Secretary of the Navy





negotiations were in the interest of the United States. It was generally known to governments and those interested in naval affairs that I had been commissioned to purchase war vessels for Japan up to many millions of dollars. I had been able to deliver to Japan the Armstrong cruiser *Esmeralda* as I have described, the only war vessel in history that had ever been delivered to a belligerent. At that time strained relations existed between Japan and Russia, so that when I followed President McKinley's instructions, the natural inference was that I was acting for Japan.

At the same time the people of the United States were considerably excited by the Spanish menace, as was indicated by August Belmont's humorous remark in a letter to Lord Rothschild, that: "If a school of Spanish mackerel were reported coming up the bay, the stock market would decline several points."

McKinley, who always had his ear close to the ground, clearly stated the situation when he said to me:

"We do not need warships for fighting; but if Spain should buy five important warships, capital, always timid would be frightened, a financial contraction would take place, and I should not be 'the advance agent of prosperity.'"

Utilizing the cable I immediately located every available warship in the world. The big powers would not, of course, sell their ships so I did not have to bother with them. I made offers for the torpedo boats of Brazil, for a Greek warship, and for the best war vessels of Argentina. China had some vessels building in Germany; I got a line

on them. I found that Chile might sell the battleship *O'Higgins*, and I received a cable from my agent in Rome stating that Italy might be tempted to dispose of the cruiser *Carlo Alberto*. Soon after I went to the White House and conferred with the President and Secretary Long regarding these vessels. The Secretary suggested that the decision regarding the *Carlo Alberto* be postponed until the next day.

"I have men ready on both sides of the ocean," I answered. "A day's delay may give the ship to Spain."

The President then said to Secretary Long that an answer would better be given at once; and instructed me to offer \$3,500,000 for the *Carlo Alberto* and \$4,500,000 for the battleship *O'Higgins*.

I then brought up the question of the purchase of the Danish West Indies. The King of Denmark, owing to the failure of the United States Senate to confirm the Seward treaty, did not desire to open negotiations through his Minister at Washington for the sale of the Danish West Indies to this country. His Majesty appointed a committee of prominent Danes with power to sell the Islands, and that Committee sent an agent to H. H. Rogers and myself to request us to offer them to the United States Government.

I remarked to the President that Bradford, who was then in charge of coal supplies, had said that the Danish West Indies would be of great value in the event of war with Spain, and I said that Mr. Rogers and I had been requested to offer to sell those islands to the United States Government. The President then asked me to name the

price. I replied: "Five million dollars." He answered: "I will have a bill introduced in the Senate tomorrow authorizing the purchase."

The bill was prepared, but Senator Elkins made it manifest that he would oppose it, and, as the President wanted all legislation regarding the war to be unanimous, the bill was withdrawn.

I was very much impressed by McKinley's ability as an executive. In this instance Morgan or Roosevelt could not have exercised better judgment or have been more prompt.

Acting under the instructions of the Navy Department, I had made offers for all the available war vessels in the world to prevent Spain from buying them. We knew just about what Spain was offering, and we also knew that we were ahead of them on every ship. We were sure that Congress would put at the President's disposal ample funds for war expenditures, which it did; the first appropriation was \$50,000,000.

In the course of the negotiations for the *Carlo Alberto* I decided that it would be desirable, for the sake of its effect on the Italians and London bankers, to transfer \$3,500,000 immediately to the Rothschilds of London. I telephoned to the Secretary of the Treasury, Lyman J. Gage, asking him to instruct Belmont to cable that sum.

"Impossible!" answered Mr. Gage over the wire. "I cannot do that without the President's authority."

"Can you see him at once?" I asked. "I have already telephoned to the White House and the President is there."

"Yes, I will do that," responded Mr. Gage. "A man

pulling as many wires as you seem to be ought to receive immediate attention!"

We arranged that he should telephone to me from the White House, and that when he called connection would also be made with Mr. Belmont's office. In a few minutes he was on the wire. I had, of course, arranged for Mr. Belmont to be ready and we both had stenographers listen in. The Secretary dictated the authority to transfer \$3,500,000 to the Rothschilds by cable, and within an hour we had a credit for that amount in London.

I had an agent in London named Lawrence Benét, the son of a former U. S. chief of ordnance. At that time I was sleeping in Washington at the Brazilian Legation with a telephone at my bedside. One night, shortly after midnight, Mrs. Flint, who was in New York, woke me by telephone to inform me that she had just received and decoded a cable from Benét which stated that the Spaniards had made offers for the two cruisers being built in England for Brazil and that their disposition would be determined by the Rothschilds, who were the fiscal agents of Brazil. As the Rothschilds had heavy Spanish interests particularly in the Rio Tinto mines, they might be expected to favor Spain.

Upon receiving this information, I immediately called up August Belmont in New York, who was the agent for the Rothschilds in the United States. It was four o'clock in the morning when I got him on the wire. I told him that the United States government had just been informed that it was practically in the Rothschilds' power to determine whether the two cruisers building in England should



be sold by Brazil to Spain or to the United States. Then I asked: "Have you a private code with Lord Rothschild?"

"Yes," he answered.

"A word to the wise is sufficient," I remarked, and hung up the telephone.

We got the ships.

These were named *New Orleans* and *Albany*, and they were the only war-ships that the United States was obliged to purchase in order to prevent Spain from buying. So there was no financial contraction as McKinley had anticipated in the event of Spain buying a number of warships and the President made good as the advance agent of prosperity.

In recognition of my services, John D. Long, Secretary of the Navy, wrote to me, June 4, 1900:

"Let me refer to the services which, just before the war began and afterwards during its progress, you so kindly gave to the Department without recompense or reimbursement, in connection with its efforts to procure ships and armaments abroad. In view of your large experience and extended business facilities, the Department very highly appreciates your patriotic action and your generous co-operation, and takes this opportunity to formally tender you its hearty thanks."

The insight that I had of world armaments in connection with my serving belligerents impelled me to write the following letter to the sole owner of the New York *Herald* five years before the World War, advocating preparedness:

"MY DEAR MR. BENNETT:"

"In response to your invitation to write to you whenever anything important arose in the broad field of suggestion, I send with my Christmas Greetings a suggestion of a gift of influence, ability and money in which I would join if the idea appealed to you as wise.

"The suggestion is this: a campaign to impress upon the American people our comparative military weakness. Congress will not act unless the people are aroused.

"Whether Knox is diplomatic I know not, but he is certainly ambitious and aggressive, as indicated by his 'steam roller policy' in Central America and the loan participation demand on China—the recent Chile ultimatum and in other ways of which you are undoubtedly informed 'for guidance.' We have the Monroe Doctrine, a fetish worshipped by the America people who don't appreciate its responsibilities, the enforcement of which I regard as most aggressive because in the main it is unjust. In the taking of Panama 'the end justified the means' and 'might made right' the only way we could get it.

"Can we safely make demands as a 'world power' when we not only haven't the power to enforce them but not sufficient for self-defense.

"When a man makes a suggestion to me I want to know his point of view—mine is this—I have been more or less occupied since my firm sent two Monitors and three transports to Peru over a third of a century ago, in furnishing warcraft and munitions of war to foreign governments and otherwise serving belligerents. As an indication of my relations to the Russian Government the de Rothschild Frères issued to my firm for its account letters of credit for 150,000,000 francs and the telegrams sent by us for account of the Russian Government comprised fifteen volumes and cost \$33,000. As to my relations to our government, I enclose photo of a letter I

received from Secretary Long, and the files of the *Herald* during the past thirty years tell of my activities in connection with supplying vessels and munitions of war to nine other governments.

“This work has brought me into intimate relations with officials of Japan, Russia, Germany, France, England, and the lesser powers. While our people are ignorant as to our comparative military weakness and live in the ‘never have been licked’ paradise of fools, the Ministers of Foreign Affairs and the military men of every first-class power know of our real condition. Our military power is not only not regarded seriously by foreign military men but is looked on with contempt and we must admit justly so.

“The argument against putting ourselves in a position where we have real instead of imaginary strength is virtually that we are afraid of ourselves—that our government would in such an event adopt too aggressive a foreign policy. If that’s a danger how much more dangerous is an aggressive foreign policy based on bluff where the bluffees, through reports and years of observation, and experience in military affairs, have a clearer and more detailed knowledge of our relative weakness than our newly appointed Secretary of State.

“We have intrinsic and enormous strength in our financial and commercial position, but may not that become a temptation and the industrial wars which we are successfully waging aggravated by our tariff become a real cause of war?

“A campaign such as I suggest for your consideration would certainly not be profitable and the service rendered would probably not be appreciated until an emergency arose. The letter of Samuel J. Tilden advocating coast defenses was not appreciated till the War with Spain when the feeling was such that Belmont wrote to Lord Roths-

child that 'if a school of Spanish mackerel was reported coming up the Bay the market would decline five points.' Therefore, the campaign should not be undertaken unless with the firm purpose of rendering a permanent patriotic service to the country.

"I once asked Secretary Blaine to appear before a Congressional Committee. I told him that, while his action would undoubtedly benefit the country, my personal interest would be served thereby. He quickly replied: 'It is fortunate when your interests run parallel to those of the State.' Until within a few years when I have been a seller of ordnance material to our government I would have been benefited financially by such a campaign but I haven't any such interest now. On the contrary, I should not only be out the contribution which I would make, but the immediate result of such a campaign would be, undoubtedly, a change in the policy of our government from rejecting American inventions of munitions of war to securing their exclusive use. During past years, most of our inventors of munitions of war have been obliged to go abroad to exploit their inventions. For example, the Hotchkiss Ordnance factories in France and England, the development of the American submarines in Great Britain and other European countries, and the 'heavier than air' aviation. My business has been to place such inventions abroad and I have derived a profit therefrom during a considerable period of years averaging \$80,000 per annum which would of course be stopped under the proposed policy.

"When I consider, however, the limited number of years that I am likely to remain on this mundane sphere and the fact that I have no one dependent on me, I feel if I was a party, if only to a small extent, of rendering a great service to my country that it would be a greater satisfaction to me in my declining years than accumulating



money to be left to those who would not make as good use of it.

"I will send to you by an early mail a memorandum as to the comparative strength of Japan and the U. S. A. and a detailed description of a campaign which I believe possible by which they could invade our Pacific Coast. I will also send practical suggestions as to increasing our military strength and if there is any phase of this general idea which appeals to you I will write more in detail.

"You are one of the few Americans whose knowledge of the conditions abroad and at home is such that you can appreciate the facts and who has the ability and power to bring about results.

"Washington bequeathed to us this advice:

"'Friendly relations with all, entangling alliances with none.'

"'In time of peace prepare for war.'

"We are at the present time disregarding both. Not that we are making treaties of alliance but our aggressive foreign policy violates the advice of 'Friendly relations with all.'

"'In time of peace prepare for war' is ten times as wise as when it was uttered—as it takes ten times as long to prepare and our possible enemies can mobilize a big army in one tenth the time they could then.

"While there has never been but one case where an important war vessel has been delivered to a belligerent (the delivery by us of the cruiser *Esmeralda* to Japan in 1895) it is not generally appreciated by our people that the merchant steamers of every nation are available for the transportation of troops.

"'The attempt and not the deed' would disclose our weakness to the peoples of different countries, which the officials who are conversant with the facts have withheld



from their masses, and realizing our present weakness it might lead to a similar policy I have heard advocated in England, to attack Germany before she can build a fleet that will endanger England's supremacy of the sea, unless the Germans discontinue building war vessels.

"This letter will, of course, be treated by me as confidential—there may be many reasons why this suggestion would not appeal to you but it is certainly worthy of serious consideration.

Yours sincerely,

CHAS. R. FLINT.

TO JAMES GORDON BENNETT, ESQ.,  
104, AVENUE DES CHAMPS ELYSEES,  
PARIS, FRANCE.

Mr. Bennett's reply:



ADEN, Arabia, Jan. 23, 1910.

Dear Mr. FLINT:-

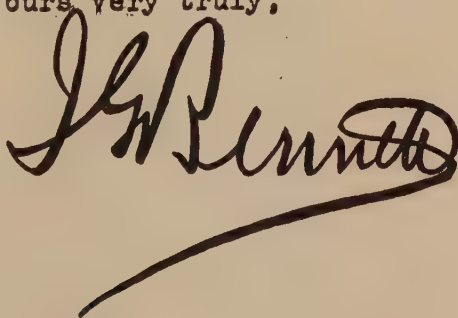
I have received your letter of December 29th, and, in reply, beg to say that I cannot agree with you. I think, on the con-

## I CONTINUE TO SERVE BELLIGERENTS 193

trary, that it would be the greatest mistake possible to develop a big standing army in the United States. A great military force has proved the ruin of all republics from Rome onward. It would be a most dangerous weapon to place in the hands of a demagogue

The commonsense measure to take is the creation of two powerful fleets; one stationed permanently in the Atlantic, the other in the Pacific. So long as they remain unbeaten there is no danger of an invasion of the United States.

Yours very truly,

A large, stylized handwritten signature in dark ink, appearing to read "J. G. Bennett". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Admiral Fiske telephoned me to come to Washington as an expert in ocean coal transportation, to confer with him as to the best methods of getting half a million tons of coal

into the Pacific. I advised him to continue purchases in the United States, increasing them a little so as not to attract attention, but to have the principal shipments made by merchants in Wales. I suggested that instead of using government funds for that purpose, it should be financed by private funds with bills of lading endorsed in blank so that the holders of these bills of lading would possess title to the coal, which could not be seized as contraband as the title holders would not be belligerents. In that connection I went to see J. Pierpont Morgan, Junior.

Meeting him as he was coming out of his office, I said: "Mr. Morgan I want to borrow half a million dollars on security that is of little or no value."

He quickly asked: "Is it for the Government?"

"Yes," I answered.

"I'll give you credits on J. S. Morgan & Co., London, for that amount whenever needed," and he walked hurriedly on to keep an appointment.

I don't remember his father ever making a quicker decision except once. Meeting Morgan senior under similar conditions, I asked him what he would sell the *Corsair* for.

"\$250,000," he quickly replied.

"I accept your offer," I said immediately.

He may have been a little quicker than the junior on that occasion; but later he sent Beavor Webb around to my office to tell me how important the yacht *Corsair* was to his health and, of course, I told him that the sale and purchase was only a pleasantry. Balmaceda for whom I had



Wenger, Jim



Wenger, Geo





accepted the offer, did not need the yacht, however, as at the time he was practically a prisoner in Santiago, and his only possible means of escape was the one that he chose,—suicide.

## CHAPTER XV

### RUSSIA, CZAR NICHOLAS, AND THE WAR WITH JAPAN

IN August 1902 I received a telegram from Richard Crane of Chicago, consigning to me the Grand Duke Boris of Russia. I had read in the newspapers of his entertainment in Chicago:

“He has done Chicago high and low,  
And in that windy town,  
There is not a merry gentleman the  
Grand Duke did not down.”

which was followed by an admonition to New York:

“Oh! gentlemen of gay New York  
Put on your tucks and frills,  
The Grand Duke Boris comes this way  
To go the pace that kills.”

I at once made up my mind that the Grand Duke would have to take us seriously, and I arranged for his official reception at West Point. We boarded my yacht *Arrow* with the members of the Russian Embassy. At the West Point dock we were met by Superintendent Mills and driven up the hill, Lyman J. Gage and I being seated in front. I observed how the Grand Duke's attitude towards



The Grand Duke Boris, second son of the Grand Duke Vladimir, in the uniform of a lieutenant in the Regiment of Hussars of the Imperial Guard.



The Grand Duke Cyril



## RUSSIA AND THE WAR WITH JAPAN 197

the press differed from that taken by the servants of the American people, when he remarked, appearing to be admiring the sturdy oak trees along the drive but actually thinking of the press reports of his gay life in Chicago: "What fine limbs on which to hang the reporters of the American newspapers!"

The Grand Duke, handsome, gracious, and experienced in military affairs, made an excellent impression at West Point, as well as at Ardsley where we dined. Among the guests at the dinner was Charles R. Miller, for nearly fifty years the able editor of the *New York Times*. He was learned in everything but music, and commenting upon the orchestra's rendering of "We won't go home until morning," he complimented me on the appropriateness of my selecting Russian music for this occasion. The Grand Duke, overhearing Miller's comment, smiled and remarked: "Yes, I heard that music a number of nights in Chicago."

When the Russo-Japanese War threatened, I saw an opportunity to do some business and also to aid Russia. The Japanese were more skilled in propaganda than were the Russians and they had created a considerable anti-Russian sentiment. But, as Russia had always been a friend of the United States, my sentiments and interests were on the Russian side. I cabled to Rothstein, the great banker of St. Petersburg (whom I had met at a dinner given by James Stillman, the elder), offering to sell to Russia two Argentine cruisers which had just been built in Italy. But I received no reply; and the Japanese immediately

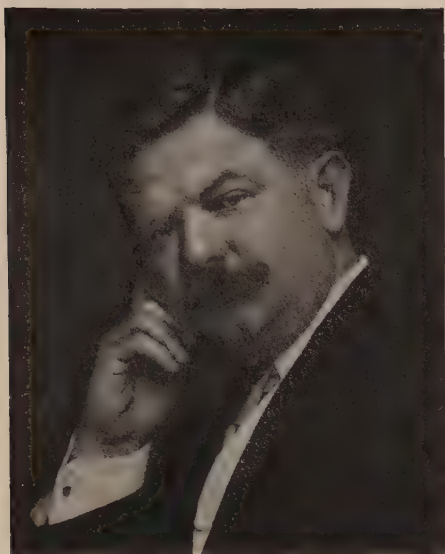


purchased and received delivery of them, which was easily accomplished as war had not yet been declared. After losing these ships, Russia realized the importance of securing war vessels; so I cabled to the Argentine and Chile concerning war vessels which those nations already had in commission.

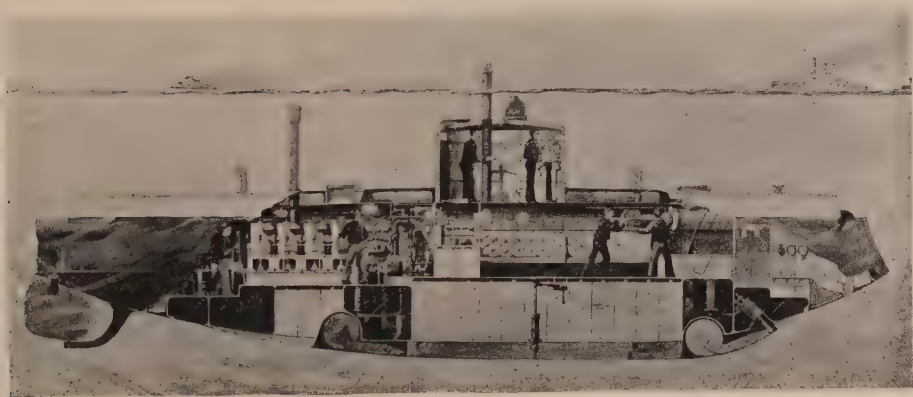
Soon after I received a Russian government cable to buy munitions, signed "Bottle." The credits were satisfactorily arranged, and I immediately began to buy all of the suitable munitions that were available in the United States. "Bottle," I afterwards learned, was the Grand Duke Alexander Michaelovitch.

The submarine *Protector* had been built by Simon Lake and was at his shipyard in Bridgeport. I knew that the Japanese wanted to buy her—in fact, I obtained a copy of a Japanese cable to that effect and a photograph of Japanese officers inspecting the submarine. I wired Commander Boutakoff, the Naval Attaché of the Russian Government, at Washington, to come to New York. At my suggestion he cabled to the Russian Admiralty that Japan was trying to buy the *Protector*. The Admiralty wired instructions to purchase her immediately. Whereupon I told Boutakoff to reply: "Six submarines are obtainable, including the *Protector*." Boutakoff was instructed to purchase the six.

Then arose the question of neutrality. I paid Coudert Brothers, the leading international law firm, \$1,000 for an opinion. They said that shipping a submarine on the deck of a vessel would not be a violation of neutrality. John Bassett Moore, whom I privately consulted, ex-



To Charles R. Flint Esq.  
*Union Lake*



Submarine *Protector*



Hoisting on Board for Russia



Loaded on Cars at Libau to go by Rail to  
 Vladivostok



pressed doubt on the subject. General Tracy was the counsel of Coudert Brothers. I asked him to take title to the *Protector* as trustee. French bankers cabled me \$150,000 as part payment on the submarine; but I refused to receive the money. General Tracy at first would not comply with my request. He wanted to know whether it was all right. I handed him Coudert's written opinion. Thereupon he accepted, received the \$150,000, and took possession as trustee of the *Protector*.

The next problem was to get the boat out of American waters. I did not expect trouble, as I thought the legal position was quite settled; but in affairs of this kind it is not well to take chances. So I arranged for the *Protector* to leave Bridgeport, steam east and then at night steam west into Prince's Bay, off Staten Island, where at two o'clock in the morning it would meet a steamer from Norfolk and a great derrick which was to come from New York. The three met according to schedule. The derrick hoisted the submarine to the deck of the steamer, and by five in the morning, with the submarine safely stowed, the steamer passed Sandy Hook bound for Russia.

I had syndicated the photograph of the Japanese officers aboard the submarine, so, in the absence of information from Japan, the newspapers of this country published under large headlines the supposed fact that the Japanese had purchased the *Protector*, and that she was on her way to Japan. The only protest that neutrality had been violated came from the *Novoye Vremya*, at St. Petersburg (Petrograd) newspaper. Twenty days later the submarine arrived in Russia. The other five submarines were shipped

in parts, assembled in St. Petersburg, and one sent overland by rail to Vladivostok.

Being familiar with the fact that the Russians had transported by rail from Libau to Vladivostok a submarine (the loading of the submarine on the car being shown in the illustration herein), and having been called to Washington in reference to conditions on the Pacific, I suggested that one way our Naval force might be strengthened on the Pacific, by supplementing the productive capacity of San Francisco, would be by sending submarines by rail from the East to the Pacific Coast. I investigated as to the most practical way of doing this, and it seemed to me the most expeditious and economic method would be to manufacture in the East every part of a submarine up to a point where the remaining work of manufacture and assembly would require only sixty days.

I submitted this idea to the U. S. Government authorities, but it did not suit them to make any unusual war preparations. Therefore, in order to put it into effect, it was necessary to secure private funds.

I had sold John Jacob Astor a battery (which perhaps gave him the title of "Colonel") at the time of the Spanish-American war, so it occurred to me that I would better see Vincent Astor, which I did. As he was considerably younger in years and experience than I, I said that I would like to talk to him in the presence of one of the executors of his father's estate. I had secured options from the Lake Submarine Company, and had the plan worked out and presented it very clearly to Vincent Astor, pointing out to him that there was an opportunity of



making half-a-million dollars by the enterprise, and that he undoubtedly would receive a formal letter of thanks from the Navy Department. Vincent Astor didn't need any guardian, for he then put a question to me which I found it almost impossible to answer. He made the point that if he was induced to go into this business with the idea of participating in profits of half-a-million dollars, he could scarcely expect a letter from the Navy Department commending his generous patriotism such as I had received from Secretary Long. He did not avail himself of the opportunity.

Then I saw Rosenwald of Sears, Roebuck, who, as a patriot at the time of the World War, worked for \$1 a year; but after an interview with him at the St. Regis Hotel, I found that he did not feel like taking advantage of this particular opportunity to serve the Government.

In both cases, I agreed to furnish half the money required.

Lewis Nixon, through my agent in St. Petersburg contracted with the Russian Government to deliver ten torpedo boats in Russia. He sent one over under her own power; the others, in the face of great difficulties, he erected on the shores of the Black Sea, where trial trips and deliveries were made.

Later I was informed that a Japanese naval commission was in Chile examining that country's war vessels. When the news reached me, I was fishing in the Adirondacks. Within thirty-six hours I was on a steamship bound for France, suffering from a partial loss of voice. A Paris doctor gave me a drug that enabled me to speak normally

for the period of an hour; and so fortified I called on the Russian naval attaché, at whose residence I also found Wischnegradsky, the Chancellor of Credit representing the Minister of Finance, and Captain Broussiloff, representing the Minister of Marine. They requested me to take steps at once to purchase the Argentine and Chilian war vessels, or at least to keep the Japanese from buying them. I went with Wischnegradsky to the banking house of De Rothschild Frères, where I received letters of credit totalling 150,000,000 francs, for account of the Russian Government. I cabled my agents to open negotiations with Chile and Argentina for certain of their warships, and instructed them to refer those governments to the Rothschilds at Paris as to my ability to pay.

I then went from Paris to St. Petersburg and conferred with the Grand Admiral—the Grand Duke Alexis, and with Admiral Wirenius, Chief of Staff. I have never come into relations with a more conscientious and industrious government officer than Wirenius. He gave me an opportunity to read all cables affecting the business which I was conducting for the Government; and I daily submitted to him not only my cables but all my correspondence. My position was delicate and I took every possible precaution to prevent misunderstandings. For example, I wrote a letter to the Grand Duke Alexis, stating the difficulties of buying warships for a belligerent, although we had already discussed the matter fully in conversation.

Finally, at a much higher price than had been offered by the Japanese, I purchased from Chile and Argentina their best warships. A war vessel cannot be sold to a

private individual and it is a *casus belli* to sell it to a belligerent, so it was necessary to induce a neutral government to assume the rôle of purchaser. It was suggested by the chief of staff of the Russian Admiralty that the cruisers might be wanted to join Admiral Rojdestvensky at Madagascar, who was to take the Russian European fleet into eastern waters. Venezuela seemed to be a likely neutral purchaser. The famous General Cipriano Castro, then dictator of Venezuela, was told that there was a million in it for his country. The General considered himself the country and replied vigorously: "Por Dios! I will do it! I am not afraid of the Japs or of the Devil!"

But neither Chile nor Argentina would sell to a belligerent nor to an American neutral, and no government in any other part of the world would act as a friendly neutral; while Russia had at least to secure delay. In desperation I studied the map of the world. There was one country and only one whose capital could not be instantly reached by cable or by diplomats: that was Morocco. The Raisuli Revolution had shut Fez, its capital, off from the rest of the world. So I named Morocco to take title to the ships. Morocco was represented in Washington by Chevalier James S. Langerman, duly accredited by the Sultan to the United States Government. When the matter was put before him, he thought it would be highly desirable for Morocco to buy a few warships. I thought it would at least add to the gaiety of nations. Accompanied by an attaché dressed in native costume, Langerman proceeded to the Argentine Legation at Washington and made it known that His Majesty, the Sultan of

Morocco, had bought certain Argentine warships and that His Majesty would receive them at Bahia Blanca. The Chevalier then cabled Mohammed Torres at Tangier, where the diplomats unable to reach Fez were residing, to refer all inquiries regarding the Argentine and Chilean warships to his royal master at Fez—which was equivalent, considering the state of the country at that time, to suggesting that he refer all inquiries to the North Pole. Incidentally and among other things, I had to agree with the Chevalier to erect at the St. Louis Exposition the Morocco government building and to provide for the exhibition of some Arabian stallions and various products of Morocco that had been sent to this country by the Sultan.

The war vessels were never delivered to Russia, but that country succeeded in preventing their purchase by Japan.

I was in St. Petersburg during the period of unrest that followed the many Russian defeats by Japan. Having had a Latin American education I was quick to observe signs of revolution: stores were being closed, rumors were exciting, a general strike of the railways was on, and my only way out of Russia was by steamer from St. Petersburg. I felt that if I must be hit with a bullet I should rather have it occur during a dispute in which I had a direct interest, so I hurried to a steamer bound for Kiel.

I found that Sir Charles (now Lord) Hardinge was aboard and I introduced myself to him.

“I am glad to meet you,” he said. “You have given



James W. S. Langerman, the Chevalier—"is entitled to handle the reins of important affairs which includes his great knowledge and deep perception of the affairs of our Moorish Government."



The Sultan of Morocco

*James W. S. Langerman  
Fey, Morocco.*

"Did not the Emperor appreciate that under the terms of the treaty between England and Japan, Japan would have had the right to call upon England to go to war as her ally against Russia, had any of those war ships for which you were negotiating been transferred to Russia?"



Sir Charles Hardinge

Ex-Ambassador of Great Britain to Russia—  
Later Viceroy of India—now Lord Hardinge.





me more anxiety than all of the foreigners in Russia put together."

I thanked him and remarked:

"That, Sir, is the highest compliment I have ever had paid me."

Then Sir Charles asked: "Did not the Emperor appreciate that under the terms of the treaty between England and Japan, Japan would have had the right to call upon England to go to war as her ally against Russia, had any of those warships for which you were negotiating been transferred to Russia?"

I did not at that time know, and never have known the real intentions of the Russian Government, so I replied: "Sir Charles, you are an Ambassador, and as such have access to the Emperor. May I suggest that you ask him that question in person?"

So I imagine the English agents were checkmating at every point my attempts to secure warships for Russia. England did not want to be drawn into the war.

During the Russo-Japanese War, I cabled from St. Petersburg to Charles M. Schwab that the Russian Government was desirous of securing his services in connection with the delivery of war vessels at an early date, and the construction of a ship-building plant in Russia. Mr. Schwab came to Russia, and a meeting was held with the Minister of Marine, Avelan, and the Minister of the Treasury, Kokovtzeff, who said that perhaps it would be well to conduct the conversation in French. We assented with the result that I had a headache after the audience, and I felt it too delicate a question to ask Mr.

Schwab how he felt. Mr. Schwab was ready to carry out the proposed Russian program if the finances were definitely arranged, so it was decided that I should proceed to Monte Carlo to see J. P. Morgan as to whether he would take the bonds to be furnished by Russia. I do not know how far the great banker looked into the future, but he looked into it far enough to reply in the negative.

It was once the duty of Mr. Morgan to speak to Mr. Schwab regarding the injurious effect that his gambling at Monte Carlo had had on the stock of the Steel Corporation. The fact that the newspapers had generally informed the public that the President of the Steel Corporation was putting money on the red and the black had caused a decline in the market value of the company's shares. It was difficult for Mr. Schwab to defend himself. He was cornered, but never at a loss for words: "What I did, I did openly," he said. "There are a great many worse things going on behind closed doors than playing in the open."

"Yes," said Morgan, "that's what doors are for!"

On August 24th, 1905, the Grand Master of Ceremonies notified the American ambassador that I would have the honor of being presented to His Majesty the Emperor at noon on the following day, at the Peterhof Palace. The audience had been arranged by the Minister of Finance, Kokovtzeff. Peterhof is some thirty miles out of St. Petersburg. A private railway car was provided for all of those who were to be received that day, and at the station we were met by the imperial coaches. I was shown to a suite of rooms in the palace that had been reserved



Le Grand Maître des Cérémonies a l'honneur d'informer  
Son Excellence M<sup>r</sup> George von Sengerke Meyer,  
Ambassadeur des États-Unis d'Amérique,

que  
M<sup>r</sup> Charles R. Flint  
aura l'honneur d'être présenté à Sa Majesté  
l'Empereur, Vendredi, le 12<sup>e</sup>/<sub>25</sub> Août, à  
midi, au Palais de Péterhof

11<sup>e</sup> Août 1905.  
24





for me. After a short time, a household servant clad in the black and gold of the Imperial livery announced that the carriage again awaited me and I was informed that the Emperor was at his villa about a mile distant, where he would receive me. As I approached the villa I was struck by its simplicity: it was about one-fifth the size that an American millionaire considers indispensable. Royalty does not like the magnificent discomfort of palaces. The Czar Alexander, for instance, had an eight-by-twelve sleeping room and a small library in the vast Winter Palace. The greater part of the palace was used by His Majesty only on state occasions.

On entering the villa, a man in red livery took my coat. On the walls of the reception room were many etchings and engravings, including a large engraving of Emperor William I. and other members of the Imperial family of Germany. There were present officers and statesmen from different parts of the Empire, waiting for an audience with the Czar.

I had been waiting perhaps ten minutes, when an attendant came to me and whispered, "His Majesty will receive you." The door was opened, the attendant retired, and I found myself face to face with the autocrat of all the Russias.

The Czar was standing in the center of the room, and in the quick survey which I made of him I was struck by the simple dignity of his presence. He was rather slight of stature, and stood erect; his hair was a medium brown. He had a brown beard, neatly trimmed. His eyes were dark grey, bright, and penetrating; he was quick of move-

ment, and cordial in his manner. His blue uniform was military in cut, with no gilt lace or embrodiery; and I did not notice that he wore any jewelry or ornaments. His erect figure was well set off by his simple attire. He was standing, as I say, near the center of the room, and as I entered with a formal bow he put me at ease by stepping forward and extending his hand.

"How do you do, Mr. Flint," said the Czar, in perfect English, without accent of any kind.

"How long have you been in Russia?" he continued, opening the conversation.

"I have been here four times during the past year," I replied, "under the diplomatic passports of Your Imperial Majesty."

At that time the Russian newspapers were discussing at some length the interest which President Roosevelt was displaying in submarine vessels, as well as the performances of the Lake submarines in the Baltic, and the Czar had me repeat the details of the voyage of the submarine *Protector* which according to all the American newspapers had been bound for Japan. I told His Majesty that there was considerable difficulty in getting the *Protector* out, and I added: "The only protest made against the United States for permitting the *Protector* to leave New York was——"

His Majesty smiled and finished the sentence by adding "In the *Novoye Vremya*."

The conversation embraced many subjects and was carried on without formality. To illustrate the accuracy of the Czar's memory, when a subject was brought up

concerning one of the matters in which I had acted for the Admiralty, the Emperor said: "Oh yes, Mr. Flint, I remember that quite well. My Uncle Alexis said you handed him a letter nine months ago on that subject."

Each one of his ministers had a day a week with him in which they reviewed the more important, and a great many of the less important, affairs of their departments. Later when I submitted my cable and telegraph bill to the Russian Government, it was approved by a Committee, but the Minister of Finance told me that he could not pay it until after his next audience with the Czar. The bill amounted to \$33,000, and was supported by fifteen fat volumes of vouchers; but it was a small affair for a government in war time.

Czar Nicholas showed his knowledge of, and great interest in, American affairs by asking many pertinent questions about our industrial growth, and evinced a considerable knowledge of economic conditions here, particularly the great developments that had taken place during the last ten or fifteen years.

I told the Emperor that I was leaving within a few days for America and that our industrial leaders would be much interested in knowing His Majesty's policy toward Americans' taking part in the development of Russian resources, and that it would be a great honor if I were able to state this policy to them.

His reply was comprehensive and logical. He said: "Inasmuch as Russia's natural resources are practically inexhaustible, it is but logical that we should welcome American or any other intelligence and capital to Russia.

Whether the developing companies are controlled by Russians or foreigners, by far the greater part of the benefits will accrue to the Russian people. It will accrue in wages, in a larger market for agricultural and other products, and in charges for transportation. Whatever foreign capital develops for its own benefit must also give to us a greater benefit."

In this statement the Czar displayed a breadth of vision which has been denied to many statesmen who have won a greater reputation for sagacity than he enjoyed.

The Emperor impressed me as a man of keen intelligence. Anyone who imagines that the late Emperor of Russia was unintelligent is far from the truth. He ruled Russia for twenty years but he did lack force and decisiveness,—a lack which contributed to his downfall.

Howard Thompson was the representative of the Associated Press during the course of my visits to St. Petersburg during the Russo-Japanese War. The news of the naval battle of Tushima was received in Russia only through Japanese sources. In order to avoid the delay consequent upon messages going through the Russian Press Agency, Thompson gave me the messages as they were received, and I took them directly to Admiral Avelan, the Minister of Marine. It was sad news for the Russians, and the Associated Press messages proved to be true, except one which announced the sinking of the cruiser *Gramavoy* with all on board. Admiral Avelan handed me a telegram, which he had just received from Vladivostok, announcing the safety of the *Gramavoy*.



I told His Excellency that Captain Broussiloff, commanding that cruiser, was a friend of mine and asked for the loan of the *Gramavoy* telegram to take it to Mrs. Broussiloff. I went at once to the fourth story back of an apartment house and awakened the Broussiloff family. I told Mrs. Broussiloff that in the morning newspapers she would see a report of the death of her husband and the total loss of her husband's ship; I then handed her the Admiralty telegram, assured her that it contained the exact facts, and that she might feel entirely satisfied that her husband was alive and safe. On the night that I left St. Petersburg, Broussiloff, who had been promoted to Admiral, came to my apartment and delivered to me a *charka* as a friendly token of the family's appreciation of my thoughtfulness. Broussiloff was the brother of General Broussiloff, who distinguished himself in the World War.

When Howard Thompson returned to America, he represented the Associated Press at the Portsmouth Peace Conference, and at its close entered the service of the National City Bank. His point of view after a short stay at the bank was probably radically different from that entertained by the officers and directors of that great institution. As his wife told me: "Howard came home last night and said, 'Dear, I have been two weeks in the National City Bank, and I do not know what is going on in the rest of the world.'" The sphere of knowledge of the great National City Bank was comparatively narrow when compared with the world-wide information of the Associated Press.



The British, with the utmost suavity, used their influence to make futile my attempts to purchase warships for Russia. But I had the opportunity to play the other side of the game in Turkey. I had gone with Mrs. Flint from St. Petersburg to Moscow. While looking at the paintings in the Tretaskoff Galleries a messenger handed me a telegram from the Chief of Staff of the Russian Admiralty, asking me to meet Broussiloff, whom I have already mentioned, on the train for Odessa, and to go with him on a secret mission which he would explain. We rushed back to the hotel, packed our bags; Mrs. Flint hurried to the train for Paris, and I started for Odessa, as the telegram had requested.

This was war-time and the passport regulations were very strict. Even in times of peace passports were required for travelling in Russia. Ours were diplomatic passports issued by the Russian Ambassador in Paris. The hotel porter had attended to the permits for leaving the city, and we did not look at the passports which he handed to us. I met Broussiloff on the train. He told me that we were bound for Turkey, that his name was now M. Blancard and that he was a Belgian. He had left St. Petersburg in full uniform amidst the cheers of his friends, bound for Vladivostok to join the fleet.

Now he was the very plain M. Blancard, and he was such a good Belgian that Countess Kapnist remarked to me: "I instantly knew the nationality of your friend, M. Blancard, because he speaks Belgian-French."

Broussiloff was a remarkable linguist. He had once learned Turkish, passed himself off as a Turk, and spent

some years studying the Sultan's armaments, methods, and plans.

When we reached Odessa for our voyage across the Black Sea, the hotel proprietor informed me that I was in possession of a passport giving the right of travel to Mrs. Charles Ranlett and her maid! I then realized that the porter at Moscow had changed our passports, and that Mrs. Flint was on the border in war-time with a man's passport. For official reasons, we were travelling under the name of Charles Ranlett, my given and middle name.

I was very much worried about Mrs. Flint. Broussiloff said that he could not help me,—being an officer on secret mission he could not disclose his identity under any circumstances. I telegraphed to St. Petersburg and sent many wires to Vilna, where Mrs. Flint would reach the border, but I need not have worried although the officials held up her train for some time.

It was necessary for me to get a permit to leave Odessa, which I found most difficult. Travelling under the name of Charles Ranlett, on secret mission, I could not apply to the American Consul. Finally a clerk in the office of the Governor General treated me like "a long lost brother," wrote out the permit, and brought me the Governor General's signature. I put in his hand a hundred gold roubles but he declined to receive any gratuity. I have never had the same experience in any other country. There would not have been any way for me to enter Constantinople had not the naval attaché, Captain Tcherbo, arranged for me to be rowed in a Russian man-of-war's boat from the steamer to the Sultan's navy yard,

where I was landed in the middle of the night, and guided from there to the Russian embassy.

The next day I went to the American Legation. As I had no papers, I told them to look me up in *Who's Who* (which I saw lying on a table), and asked for the services of the dragoman, Garguilo. Together we went to the Yildaz Palace.

The situation was this. An English syndicate had offered to make a loan to Turkey for the purpose of buying the Argentine and Chilean warships. Turkey was not a belligerent; but, as the Turks were still paying the indemnity arising out of their war with Russia, they had no particular love for that country, and a fleet of modern warships in the Black Sea would have made Russia somewhat uncomfortable. The object of our mission was to block that deal.

I had a Rothschild credit for 50,000,000 francs, which I put in my pocket before my visit to the palace, as I knew that no letter of introduction is more effective than one that bears a banker's signature and states a certain willingness on his part to pay out a large sum of money.

Tashim Pasha, first secretary to the Sultan, was the man I wanted to see. In the anteroom was the head of the Armenian Church, bearing presents for the Sultan. Tashim sent out his secretary to receive the presents. Around the room were various Mohammedans, who from time to time faced the east, dropped on their knees, and said their prayers. Tashim Pasha received the dragoman and myself alone. Garguilo, by the way, was probably the most famous of all the famous dragomen.

Tashim was not feeling very happy. The first thing I did was to lay my letter of credit in front of him. He looked at it with interest, but he certainly was a bit groggy.

It was then Ramazan, which is the great Mohammedan religious fast. It continues for forty days. No true follower may eat or drink between sunrise and sundown. They therefore stay up all night eating and drinking, with the intention of staying in bed all day. But Tashim had been unlucky enough to have to work this day and he was very much the worse for wear.

I explained to him that Flint & Co. of New York would consider lending \$10,000,000 to the Turkish government; that I understood they had been negotiating for the purchase of the Argentine and Chilean ships; that I knew those ships, and that I could buy them for Turkey at a price if she were not exacting on inspection. I named a sum which I knew was much less than the price asked by the English syndicate.

He showed as much interest as he was then capable of showing in anything when I mentioned the price. Apparently he did not see anything odd about the sudden passion of Flint & Co. to lend money to the Turkish government. No Turkish official, in those days, or now, would question the Providence that sent a man who wanted to lend money and had it to lend.

But our intentions were somewhat different from Tashim's interpretation of them. The object of our visit was to cast doubt upon the price that the English syndicate was charging for warships—that is, to aid a suspicious nature in becoming more suspicious. Having made my



proposal, which was received in silence by Tashim Pasha, I bowed myself out and immediately went aboard the Russian steamer that was due to sail early the next morning.

Broussiloff was already aboard.

We wanted to be on neutral territory while our proposal was sinking in. It is sometimes not a bad plan, when a monarch has considerable power and a deal of it is absolute, to get well out of the range of that power if the monarch shows signs of being inquisitive about something you do not want to tell him. That was Broussiloff's idea in having us get aboard a Russian steamer immediately after my conference, and since Broussiloff had lived a good many years in Turkey, I thought his advice well worth taking. It proved to be.

We got under way early the next morning, and our first stop was Smyrna. I went ashore, but no sooner had I entered the hotel than the proprietor asked me if there was a Mr. Flint on board and said that Governor-General Taliem Pasha wanted to see the gentleman, and that he should immediately return to Constantinople. I did not inform him as to my identity. Instead I started back for the vessel and in a little while Said Bey, an aide-de-camp of the Sultan, came out in a splendid eight-oared barge to persuade me to return to Constantinople.

He was gracious enough to place the telegraph lines at my disposal for any wire that I might desire to send to the Sultan, and so Broussiloff and I, being thus liberated from the expense of cable tolls, concocted a long telegram to Tashim Pasha, the first Secretary of the Sultan. We





Garguilo, the Dragoman who accompanied the author to the Yildiz Palace



Said Bey, Adjutant of the Sultan, who at Smyrna brought a message from the Sultan



Author and Captain Broussiloff at Smyrna writing a telegram to the Sultan of Turkey



had a deal of fun doing it. It contained no end of stately words and threw a monkey wrench into the plans being engineered by the English syndicate to sell to Turkey Argentine and Chilean warships. At the same time, by special messenger, I sent a telegram to Mrs. Flint at an address in Paris where I knew there was no possibility of its reaching her, asking her to take the Orient Express for Constantinople and saying that I would meet her at Bucharest.

The Turkish Government reads all wires that have a bearing on any matter in which it is interested, and I felt sure they would thus discover an apparent intention on my part to go back to Constantinople. We were still in Turkish waters, and I wanted to leave the whole situation open—to keep the Turks fishing in the belief that there were some fish in the pond. In Athens the Turkish Minister sent word that he wanted to see me on a matter of importance, so I took an early train to the ruins of Olympia, and there, flushing a woodcock, I decided to spend the day in shooting. At Patras the Sultan's Consul-General boarded the steamer to see me, but I could not be deterred from my announced intention of going overland to Turkey, and by the particularly devious route which led me by water to Brindisi and thence to Genoa and Paris.

In Athens, Broussiloff and I made some endeavors to persuade the Greek Government to act as a neutral in the purchase of war vessels for Russia. Queen Olga was a daughter of the Grand Duke Michael, and naturally possessed considerable influence, but here again England

had made certain of herself and was actually, although not apparently, the dominant figure of the Court.

England did not, as I have several times before mentioned, under any circumstances want to be put into the position of being called on by Japan under the treaty of alliance to enter the war.

I had no intention of going back to Turkey; but I did want to keep the matter open, or at least to know what was going on there, so I arranged for Baron Cottu to live incognito in Constantinople and keep me informed.

I first met Witte when in response to his request I called on him at his residence in St. Petersburg. Before he entered the room, I looked at the titles of the books in his library, and was interested to find that not only were there many books on diplomacy and governmental affairs, but there were many more on railroading, engineering, and industrial development. When he entered I was struck by his impressive bearing—he was over six feet tall.

He said that he knew of my possessing the Rothschild credits for 150,000,000 francs, and was informed of my negotiations on behalf of Russia for the Chilean and Argentine war vessels. I had expected that in this connection he would refer to the treaty of alliance between England and Japan; but to my surprise he asked what I thought would be the attitude of the United States towards the delivery of any of the Argentine and Chilean warships to Russia. I told him that in my opinion, the United States Government would not interfere with their delivery, as it would be an affair entirely be-

tween those Latin-American countries and the neutrals to whom the vessels might be sold. I reminded him that the United States Government had not interfered in my delivery of the Chilean cruiser *Esmeralda* to Japan. I informed him that I was satisfied that neither the Chilean nor Argentine governments would sell any of their war vessels to a belligerent.

Returning to Paris I met Admiral Abaza and Bezobrazoff, who were noteworthy individuals in that their desire to take land in Korea for exploitation was one of the major causes of the Japanese war. Abaza was on a secret mission, called himself Monsieur Valbert, and was travelling under a Belgian passport. They were both inveterate enemies of Witte, who, I think, was the ablest man Russia ever had.

After a time I again returned to Russia to close up my affairs and to look a little more closely into business opportunities. I called on Witte at his *dacha* on the Island of Yelagin. He frankly told me that Russian conditions were quite too unsettled to make it prudent for any man to venture his money in Russian enterprises and that, although he was President of the Council of the Empire and supposedly the most powerful man in the country next to the Czar, he had, as a matter of fact, very little power or influence.

Witte was extremely anxious to forward every legitimate Russian interest. He wanted foreign capital brought in. He wanted to raise the whole standard of the country, and I have not the least doubt that had his ideas been adopted the present terrible situation in Russia would not have



come about, for his plans involved the investment of money and the development of enterprise that would have erected a great industrial bulwark against Bolshevism. Bolshevism cannot thrive except in a community where the larger number of the people have nothing to lose and everything to gain by a change. The Russians went into the Revolution thinking they had nothing to lose and all to gain. Most of them by this time have discovered that while they gained nothing they did have something to lose.

The Czar, too, was in favor of improvements and of welcoming foreign money and brains; but he did not have the force to have his ideas executed. John Hays Hammond, on behalf of a group of capitalists, wrote to me offering to spend \$20,000,000 in Russian developments if I obtained favorable mining concessions. I am satisfied that the Czar, in view of what he had said to me in our audience, would have approved the very reasonable terms proposed by Hammond; but the Imperial Cabinet, which had charge of the Imperial domains, favored "Russia for the Russians" and refused to grant the mining concessions for which I had applied.

After President Roosevelt had extended an invitation to the Russian Government to participate in a peace conference at Portsmouth, I went directly from Witte's *dacha* to Admiral Abaza, who knew that I knew him, so we talked freely.

I opened the conversation by saying: "At your audience with the emperor tomorrow you will have the opportunity to show him that you are thinking in the interest of the Empire instead of seeking personal advantages."



**Arrival of the Russian Delegates in New York to attend the Portsmouth Peace Conference—Count Witte—Baron Rosen.**



"How?" asked Abaza.

"By suggesting," I went on, "that His Majesty appoint Witte head of the Russian peace delegation to the Portsmouth Conference."

"But Witte is my vindictive enemy."

"Yes, I know that," I answered, "and that will be the best evidence of your sincerity in suggesting him. Shall I state to you my reasons for so doing?"

"It will be a waste of time," replied Abaza, "but I will listen."

"I shall state them concretely. First, if Witte is unsuccessful in bringing to a conclusion a treaty of peace on a reasonable basis, he is so popular with the people that thereafter the Japanese will have to fight the Russian people as well as the Russian government. Secondly, he is very influential with the Jews, who are backing Japan financially. Thirdly—and this argument will doubtless have great weight with you and possibly with the Emperor—it is almost certain that whoever heads that delegation will be damned if he does and damned if he doesn't."

On Abaza's return from his audience at Peterhof the next day he curtly remarked to me:

"Witte will be appointed."

A few days after I asked the Minister of Finance, Kokovtzeff, fresh from his day with the Emperor, who would head the Russian delegation to the Portsmouth Conference, and he answered exultantly: "Witte will be appointed and he will be damned if he does and damned if he doesn't."

Evidently that part of my argument had struck home!

But Witte was a far abler man than they gave him credit for, and he got honor instead of damnation out of the conference. It may be remembered that at this time the sentiment in the United States was in favor of the Japanese. Witte cleverly counteracted this by making himself accessible to the newspaper men. He let himself be the real source of the news of what went on in the secret meetings, and thus he very shortly appeared to be, at least to the representatives of the press, the only real human being at the conference!

The Russian army officers wanted to continue the war. They were not anxious for peace. The Japanese, having temporarily the upper hand, were not anxious for peace unless they were to gain all they were after. At the same time the rank and file of the Russian army were not so much interested in war as were the generals, and revolution was brewing. At one time the affairs of the conference reached so critical a situation that peace hung by a hair. The Russians had arranged a single code word for the announcement that the peace negotiations were off, which was to be cabled to St. Petersburg at a given signal. Then St. Petersburg would flash the news to General Linevitch in Manchuria, and he would at once go into action; for, if the war were to be continued, the Russians wanted to get the jump on the Japanese.

The agreed signal was arranged thus. Witte was to look out of the door of the conference room. If he asked his secretary to fetch him cigarettes, the war cable was to flash. If the verdict were "peace," then Witte would announce the fact.



Promptly at 11:50 A.M., which was the time agreed on, Witte stepped out of the room, but instead of asking for cigarettes, he said simply: "Gentlemen, peace!"

After the conference had adjourned, I was invited, at the suggestion of Mr. Morgan, to a dinner at the Metropolitan Club of New York given by George Harvey to Witte, Rosen, and the other Russians who took part in the Portsmouth Conference.

Harvey, as host, commandeered ample words appropriate to the occasion. The diplomats were as discreet as Baron Rosen, who at an early period in his diplomatic career in this country, speaking at a banquet, commenced his speech by saying that the first time he arrived in the United States was the day after the great blizzard. Well prepared for the snow, he had ventured into the street in his Russian coat and boots. Walking along he came to a great pile of snow on the top of which was a sign that had been put up by some street urchins, and which read: "*Keep off the grass.*" Rosen observed: "I, as a diplomat, have always followed that advice."

Witte and Rosen both kept off the grass at the Harvey dinner. There were present many prominent New Yorkers. Whether they were silent by inclination, or as a matter of diplomacy, I know not.

I told Arthur Brisbane, who sat opposite to me at the dinner, that Mrs. Flint and I were about to return to Paris, and that while there we wanted to read every morning the news from Russia and a chapter from the history of the French Revolution.

Brisbane said, "Don't read Carlyle. Read a history

by someone who was in sympathy with the Revolution." He named Tom Watson, whose history we read, and found making comparisons interesting and instructive.

When I wound up my affairs with the Russian government, the Emperor, on the suggestion of the Minister of Finance, presented to me an exquisite *charka* of rock crystal bearing the imperial coat of arms and trimmed with vines of gold with berries formed of rubies and diamonds. The *charka* is what might be called the national dish or container of the Russians. Every Russian home has in it an icon, a samovar, and a *charka*.

The presentation was made at the Russian Consulate in Washington Square, on the Czar's Saint's Day—St. Nicholas. There were present members of the Russian Embassy who had attended the Russian church that morning; also prominent New Yorkers, including Judge Gary and Benjamin F. Tracy.

In memory of Nicholas II, I feel that it is fitting that I should quote from my speech of that day my reference to His Majesty. I said, "In all the capitals of Europe the great national monuments are symbolical of war. Be it said to the glory of Russia that her national monument, the greatest of all, is surmounted by the emblem of peace and good will, thus foreshadowing that grand conception and achievement of the Emperor, the Hague Conference."

The Czar's Ambassador to France, Nilidof, was the first President of the Conference. During my visit to Russia I met many officials of the Government. I attended the opening and many meetings of the Duma. I talked with the Prime Minister Gorevikine, on the day the Czar

received the members of the Duma at the Winter Palace. Goremikine told me as he was leaving for the Toride Palace: "We are making history." In the light of all I saw and heard, I am strongly of the opinion that Nicholas II desired to transfer the power of Government to the people of Russia as fast as they could wield it intelligently. Subsequent events have shown what great difficulties he had to meet in an attempt to carry out that purpose.

In 1910 I went to confer with Count De Witte at Vichy. On meeting me he said: "Mr. Flint, we have whitened up a bit since we first met."

He was accompanied by Dr. E. J. Dillon who was writing the Count's biography. Dillon recently told me that the Germans got possession of it, and for that reason it has never been published. I told De Witte's niece of my secret mission to Constantinople on behalf of the Russian Government. She, in a kindly spirit said: "You make a great mistake in telling that."

"Why!" I asked; and she then used an expression which was new to me but which was certainly appropriate: "You thereby cross the future. By so doing," she continued, "you make yourself less eligible to go on another secret mission for the Russian Government."

My next service was an attempt to make some contribution to real democracy in Russia, and I endeavored to enlist the support of our government. I organized and became chairman of a committee to encourage the first provisional government of Russia, which work I will describe in the next chapter.

## CHAPTER XVI

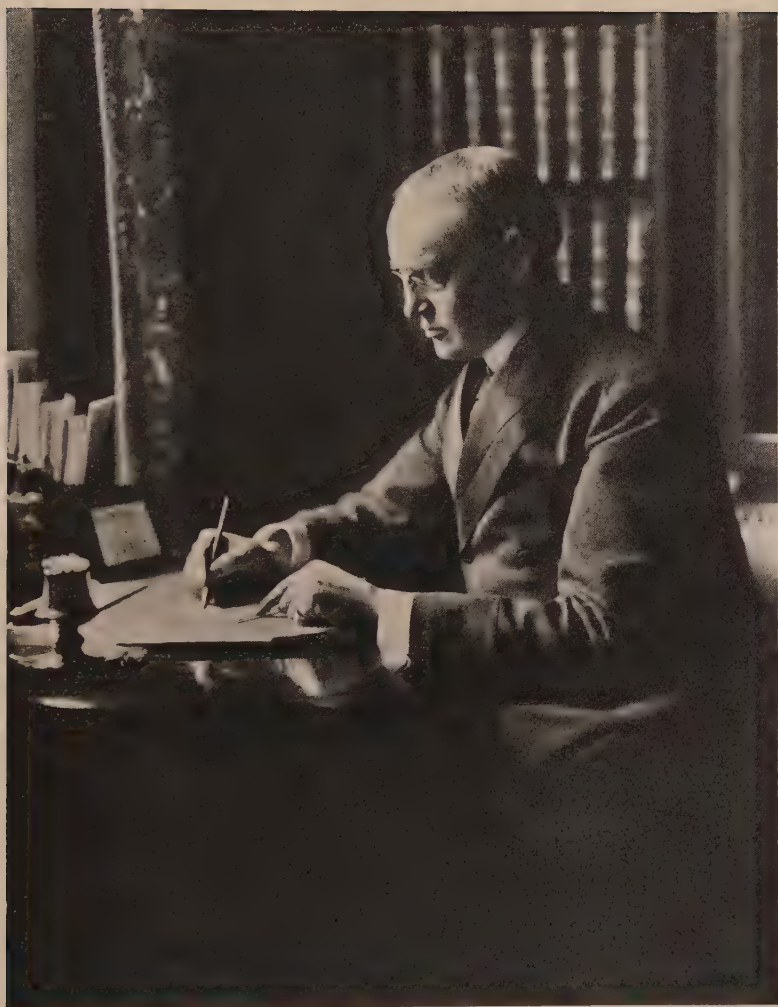
### ENCOURAGING THE FIRST PROVISIONAL GOVERNMENT OF RUSSIA

As soon as news was received of the overthrow of the Romanoff autocracy, some prominent Russians, friends of the First Provisional Government, came to my home and there met Melville E. Stone, head of the Associated Press. They said that they would like to invite prominent Americans to luncheon in order to discuss what action would better be taken in the interest of Russia. Following this suggestion, a luncheon was given at a downtown club, and among the Americans present were Joseph H. Choate, Melville Stone, and myself.

During the last year of his life, Joseph H. Choate and I were very friendly. He had received letters from Robert Lincoln asking him to help prevent the erection of the Barnard statue of Lincoln in Europe, in which work Mr. Choate asked my coöperation.

During that period I was impressed by Choate's belief in the importance of encouraging the First Provisional Government of Russia. He felt that unless something were done to counteract the effect of German cash, which was being poured into Russia at that time, we should lose Russia as an ally and chaos would follow in that country.





My Dear Flint: July 4, 1923  
Away back in the Laurentian age, before you  
and I were born, the kinship between the Flint  
and the lower order of Stone was fixed. Notwithstanding  
the mutations of the ages, this kinship has survived,  
much to my pleasure and profit. You have been  
a most acceptable relative Melville E. Stone





Mr. Choate retained his keen appreciation of humor, and even during the last year of his life he brought to my mind the remark made by Henry Ward Beecher, when a committee waited on him in behalf of many of the congregation who objected to the humorous illustrations in his sermons.

"Gentlemen," Beecher replied, "if you knew how much I kept back you wouldn't say anything about what little escapes me."

At a dinner in London, a distinguished Englishman sat next to Ambassador Choate.

"Mr. Ambassador," he said, "we hear a great deal of a Mr. Chauncey M. Depew of your city, who has been favored by the consideration of our King, with whom he has apparently become intimate. I am very anxious to know just what station Mr. Depew occupies in the United States."

Mr. Choate, looking as serious as possible, replied: "The Grand Central Station."

"Ah! yes, yes," said the Englishman, "I understand. He is of the great middle class!"

Celebration of Twelfth Night was held at the Century Association the evening after the day Choate was appointed Ambassador to the Court of St. James. That night Choate played the rôle of the King of Misrule. The king's jesters were dressed in striped tights decorated with chestnuts instead of the usual trimming of bells. Everyone having in mind the Ambassador's appointment, one

jester (Lawyer Beeman) asked the other jester (Judge Howland): "What will they play when the Ambassador reaches the Court of St. James?"

"What will they play? They'll play 'God Save the Queen.'"

I had arrived that day from abroad and not being familiar with the elaborate costumes of the Twelfth Night celebration, I went in full dress. When Phil Schuyler, editorial writer of the *New York Times*, who knew that I was active in the financial district, caught sight of me, he remarked, to the great enjoyment of Choate: "Here comes Flint undisguised as a pirate."

At an important social function at Windsor, a woman promenading with Ambassador Choate, was observing another woman dressed extremely décolleté.

"Who is that lady?" she questioned.

"Madam," Choate replied in a serious manner, "I am surprised that you do not know her. She is a prominent Russian lady, Madame Chimmyzoff né Olloff."

Once when Choate was returning at two in the morning from a dinner party, at a time when the idea of the United States purchasing an Embassy building in London was being agitated, a policeman came up to him and remarked: "Sir, this seems a late hour for a man of your years to be walking alone in the streets."

"Yes," said Choate, "but I haven't any home to go to."

"You haven't!" exclaimed the policeman. "Who are you?"

"I am the American Ambassador," Choate replied.



We wish you and yours all  
sorts of blessings through the  
whole of this year 1917

Ever sincerely yours

Joseph H. Choate

Charles R. Flinch Esq.





On behalf of the Government of Guatemala I once went to Mr. Choate and asked him for \$1,000 worth of law. I told him that I would feel embarrassed in making that request if it were not for the fact that I was not acting for myself and had only \$1,000.

“What quality of law do you want?”

I replied that from him there could only be the first quality.

The case was a boundary question to be decided by the court at Cartasgo. Choate wrote a very elaborate opinion, which I forwarded to the court. Not long after I wrote him a letter stating that the decision of the court at Cartasgo was exactly in conformity with his opinion, but, incidentally, I begged to inform him that the case was decided *before* his opinion was received.

Nothing has added more to the gaiety of lawyers than the case in which Choate and Lauterbach were joint counsel. When the question of a fee arose, Lauterbach suggested \$2,500, but shortly afterwards he received a check from Choate for \$12,500, being half of the \$25,000 collected by the latter. Lauterbach, acknowledging the check, wrote: “Almost thou persuadest me to become a Christian!”

The happiest thing, I think, ever said by any wit was when Choate, at a dinner party, was asked: “If you could will it, who would you rather be than yourself.”

Looking over at Mrs. Choate, he said: “I would rather be Mrs. Choate’s second husband.”

But to get back to the First Provisional Government of Russia, I had full confidence in the integrity of the principal members of its cabinet, being sure that Miliukoff, Lvoff, Geotschov, and Roziankov, some of whom I knew personally, were men of honor, and that they had had experience in government, Miliukoff having been at the head of the Constitutional Democrats—the majority of the Duma—for over ten years.

When Kerensky became Minister of Justice in that Government, I had never heard of him, but later I learned that he was inexperienced in finance and in constructive industrial development, and that he was not of a character to assist in stabilizing the new government. Unfortunately, Kerensky possessed “the dangerous gift of oratory.” Some might have said, although the comparison is far from being accurate, that he was the William Jennings Bryan of Russia. It was very easy for so eloquent an orator to influence the workmen’s and soldiers’ delegates and, as a result of inexperience in military discipline, he exerted a demoralizing influence upon the army. His course widened the opening for German cash to wrest from the Allies the loyalty of Russia. With these influences, Kerensky became so prominent in the minds of the populace that the First Provisional Government became known as the Kerensky Government.

I had a vision at the outset that unless the First Provisional Government were sustained, we should lose Russia as an ally and chaos would follow in Russia. To do my bit, I telephoned to Mr. Crane, Secretary to our Secretary of State, asking whether it would be agreeable

1917 First Provisional Government of Russia



Prince Lvoff



Professor Miliukov



if I organized a mass meeting in New York before recognition by the United States of the First Provisional Government. An immediate telegraphic reply approved my suggestion, and Mr. Crane was personally enthusiastic about the idea.

In preparing for the mass meeting, I first called on ex-President Roosevelt and asked him to write a message to the First Provisional Government. I had no time to waste and walked into his office without giving his secretary an opportunity to announce me. He was somewhat irritated, stating that he had made a special appointment for Mr. Garfield and another gentleman with whom he was in conference, and was about to catch a train. I told him that I came to ask him to write a message to the Russian people.

"I haven't time," he said.

"It is impossible to believe that you haven't time to write a short message at this critical juncture in the affairs of Russia," I replied.

"Well," he yielded, with apparent annoyance, "give me a pen and a piece of paper."

And he dashed off the following: "I rejoice from my soul that Russia, the hereditary friend of this country, has ranged herself on the side of orderly liberty, of enlightened freedom, and for its full performance of duty by free nations throughout the world."—*Theodore Roosevelt*.

It took him thirty seconds to write this. He made no change in it and rushed out of his office to catch the train.

The mass meeting, held in the Manhattan Opera House, was a great success. Judge Alton B. Parker presided.



Among the speakers were Joseph H. Choate, Mayor Mitchell, and Martin Littleton. The vice-presidents of the meeting were men of prominence.

A committee consisting of Joseph H. Choate, Charles Evan Hughes, and myself drew up resolutions for the encouragement of the First Provisional Government of Russia, which were passed unanimously at the mass meeting and—with Roosevelt's message and a letter from Elihu Root—were cabled to Petrograd.

After the mass meeting, the "American Committee for the Encouragement of Democratic Government in Russia" was formed, with the assistance of Mr. Choate and Melville Stone. Included in the committee were the presidents of our universities, Charles E. Hughes, Alton B. Parker, Jacob H. Schiff, Samuel Gompers, ex-United States Senator Spooner, Lyman J. Gage, Chauncey M. Depew, seven of our most prominent diplomats, including our ex-ambassadors to England, France, and Germany, and men prominent in industry and journalism.

Feeling that the Russians would be impressed by the spontaneous sending of cables, independently worded, by the governors of our states, such cables to include resolutions passed by their respective legislatures that were in session, immediate steps were taken to bring about the sending of such messages. The sending of cables by the governors of our states to a foreign power was unprecedented. Knowing that the governors would be desirous of hearing from their senators in Washington, I spent four days in the United States Senate lobby explaining to the senators my views of the Russian situation, to which

## FIRST PROVISIONAL GOVERNMENT 233

they listened attentively, knowing that I had been many times to Russia during the Russo-Japanese war. The senators without exception realized the importance of taking immediate steps to encourage the First Provisional Government of Russia as the most practical way of sustaining law and order and holding Russia as an ally, and were very prompt in communicating with their respective governors.

By instruction of the Committee, I sent the following telegram to the President of the United States, which was duly acknowledged:

“On behalf of the American Committee for the Encouragement of Democratic Government in Russia, at whose suggestion twenty-two states of the American Union have already sent formal messages of congratulation and sympathy to the New Government of Russia, we respectfully urge that at this critical moment there be dispatched to Russia a commission thoroughly representative of all elements in American life to convey to the Provisional Government an expression of the congratulations and sympathy of the American people, and to confer with that government as to the most effective ways and means of securing complete co-operation between Russia and the United States in the prosecution of the war for civil liberty and human justice in which they are both so earnestly engaged.

“CHAS. R. FLINT, *Chairman.*”

The President appointed Elihu Root to head the commission; but, as far as I have been able to ascertain, no practical action was taken to counteract the influence of German cash. When one reads the detailed figures of

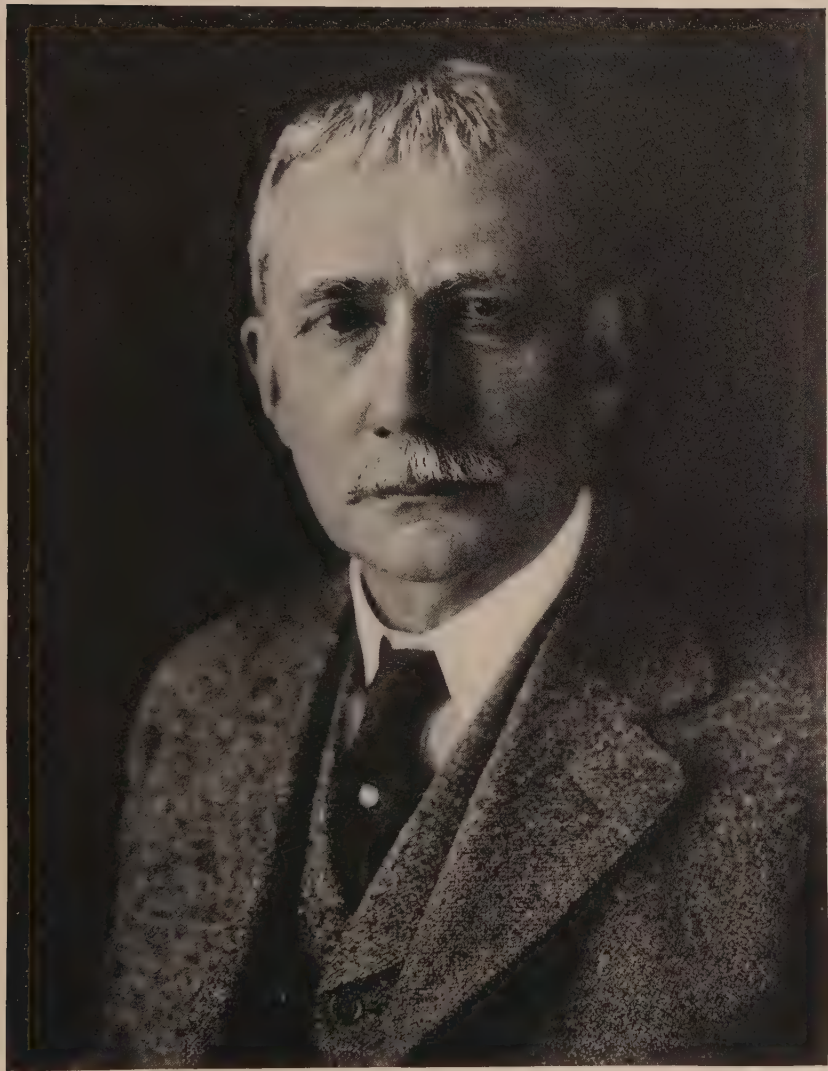
expenditures for the war, the expenditure of a sufficient amount of money to assist materially in sustaining the First Provisional Government of Russia would have seemed infinitesimally small, and would actually have been so when measured by the importance of holding Russia as our ally and preventing the rich war chests of that country from falling into the hands of the Bolsheviks, thereby giving them the means with which to bedevil the world.

From all I have been able to learn, Elihu Root was not supported in his mission and the idea has been advanced that he was made Chairman of the American Commission to Russia for the purpose of weakening his political prestige. Before his departure, I called on Root with Melville Stone and English Walling. While Root did not say so, I had an idea that he was fearful that the commission of which he was the head was not likely to be properly supported. He remarked to me: "I am going to Russia in the same spirit that my son is enlisting in the army."

Root, sensible of the dangers of the Russian situation, which were manifest to everyone familiar with it, realized that it was vital to reach the Russian people. He asked me to go to Washington and get Gompers, as President of the American Federation of Labor, to cable the Council of Soldiers' and Workmen's Delegates. This, of course I did, asking English Walling to accompany me. We found Gompers receptive, and the following is a copy of the cable that he sent:

"Executive Committee of the Council of Workmen's and Soldiers' Deputies, Petrograd, Russia:—

Chairman of the United States Commission to Russia, 1917



Sincerely yours,

*Elihu Root*

To  
Hon. Chas. R. Flint.





“The gravest crisis in the world’s history is now hanging in the balance and the course which Russia will pursue may have a determining influence whether democracy or autocracy shall prevail. That democracy and freedom will finally prevail there can be no doubt in the minds of men who know, but the cost, the time lost and the sacrifices which would ensue from lack of united action may be appalling. It is to avoid this that I address you.

“In view of the grave crisis through which the Russian people are passing we assure you that you can rely absolutely on the whole-hearted support and co-operation of the American people in the great war against our common enemy, Kaiserism. In the fulfillment of that cause the present American government has the support of ninety-nine per cent of the American people, including the working class of both the cities and the agricultural sections.

“In free America as in free Russia, the agitators for a peace favorable to the Prussian militarism have been allowed to express their opinions so that the conscious and unconscious tools of the Kaiser appear more influential than they really are. You should realize the truth of the situation. There are but few in America willing to allow Kaiserism and its allies to continue their rule over those non-German people who wish to be free from their domination. Should we not protest against the pro-Kaiser socialist interpretation of the demand for an annexation, namely, that all oppressed non-German peoples shall be compelled to remain under the domination of Prussia and her lackeys, Austria and Turkey? Should we not rather accept the better interpretation that there must be no forcible annexations, but that every people must be free to choose any allegiance it desires, as demanded by the Council of Workmen’s and Soldiers’ Deputies?

“Like yourselves, we are opposed to all punitive and improper indemnities. We denounce the onerous punitive

indemnities already imposed by the Kaiser upon the people of Serbia, Belgium, and Poland.

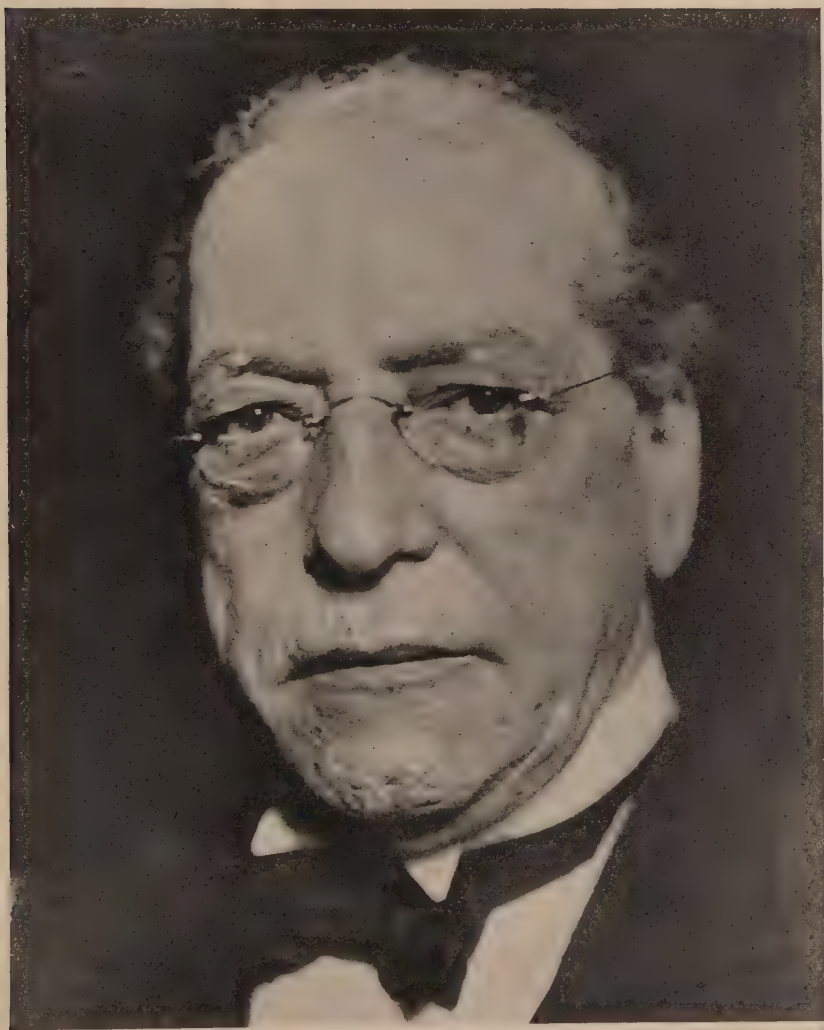
"America's workers share the view of the Council of Workmen's and Soldiers' Deputies that the only way in which the German people can bring the war to an early end is by imitating the glorious example of the Russian people, compelling the abdication of the Hohenzollerns and the Hapsburgs, and driving the tyrannous nobility, bureaucracy and the military caste from power.

"Let the German socialists attend to this, and cease their false pretences and underground plotting to bring about an abortive peace in the interest of Kaiserism and the ruling class. Let them cease calling pretended 'international' conferences at the instigation or connivance of the Kaiser. Let them cease their intrigues to cajole the Russian and American working people to interpret your demand, 'no annexations, no indemnities,' in a way to leave undiminished the prestige and power of the German military caste.

"Now that Russian autocracy is overthrown, neither the American government nor the American people apprehend that the wisdom and experience of Russia in the coming constitutional assembly will adopt any form of government other than the one best suited to your needs. We feel confident that no message, no individual emissary, and no commission has been sent, or will be sent with authority to offer any advice whatever to Russia as to the conduct of her internal affairs. Any commission that may be sent will help Russia in any way that she desires to combat Kaiserism wherever it exists or may manifest itself.

"Word has reached us that false reports of an American purpose and of American opinions contrary to the above statements have gained some circulation in Russia. We denounce these reports as the criminal work of desperate

Samuel Gompers as President of the American Federation of Labor cabled to the Executive Committee of the Council of Workmen and Soldiers' Deputies, Petrograd, on the eve of Elihu Root's departure for Russia.



To a big hearted, high minded man  
my friend - Charles R. Flint.  
1917. Samuel Gompers.



pro-Kaiser propagandists circulated with the intent to deceive and to arouse hostile feelings between the two great democracies of the world. The Russian people should know that these activities are only additional manifestations of the 'dark forces' with which Russia has been only too familiar in the unhappy past.

"The American government, the American people, the American labor movement, are whole-heartedly with the Russian workers, the Russian masses, in the great effort to maintain the freedom you have already achieved, and to solve the grave problems yet before you. We earnestly appeal to you to make common cause with us to abolish all forms of autocracy and despotism; and to establish and maintain for generations yet unborn the priceless treasures of justice, freedom, democracy and humanity.

"AMERICAN FEDERATION OF LABOR,

"SAMUEL GOMPERS, *President*."

Later, at a time when it seemed too late, Captain Guy Gaunt, the head of the British Secret Service, talked with me regarding the importance of taking steps to protect the world against the schemes of the Germans in making use of Lenin to estrange Russia from the allies. How far his ideas represented the views of the English government, I was not aware, but I do not know of any practical steps being taken by the English government to serve the First Provisional Government of Russia. It was necessary to combat cash with cash.

During the World War Captain Gaunt, ex-Mayor Mitchel, and a would-be President of Venezuela met at my office. Mitchel was committed to serve in the war,



but I was informed that he could not obtain any commission except in aviation, for which he was not fitted. I arranged the meeting, with the idea of doing a bit for the Government and at the same time saving Mitchel's life by getting him out of the air. It was proposed by Gaunt that Mitchel get a special mission to France, stop in London, and take up the subject of bringing about the overthrow of the German sympathizers in Venezuela, it being known in England and the United States that they were actively serving German interests. If that could have been accomplished, it would have saved Mitchel's life; but in spite of Mitchel's intimacy with Frank Polk—he having put Polk on the political map—he was unable to secure the mission.

I have asked very many Englishmen why England did not take practical steps to counteract the influence of German cash in overthrowing her ally, the First Provisional Government, and establishing the dictatorship of Lenin. To my many questions to Englishmen, I have received but one answer and that was under the following conditions. I, as an amateur, was driving a high powered automobile at the rate of sixty miles an hour, and an Englishman prominent in the diplomatic service sat by my side, having every reason to be thinking of the next world instead of this: I turned and asked him why England had not taken steps to support the First Provisional Government of Russia. He immediately replied that it was owing to the "crown influence." It was quite natural that England should have preferred to have seen established in Russia a constitutional monarchy rather

than a republic. But that idea should have been secondary to the importance of holding Russia as an ally and taking steps to guard against its plunge into chaos.

When the Russian situation was like a seething cauldron, "Ham" Lewis, the Democratic "whip" of the Senate, said he was going to ask President Wilson to send for me. That night at a dinner I gave at the Dower House, Mr. Tumulty sat at my left, and I told him that, while I had had a clear vision at the outset as to the importance of assisting to sustain the First Provisional Government of Russia, I did not now want to talk to the President, as it seemed to me that we had lost our great opportunity of assisting Russia.

## CHAPTER XVII

### THE AUTOMOBILE AND THE AEROPLANE

My experience with automobiles began before the days of licenses, when I drove a De Dion—the “Puff-Puff”—which was equipped with a bicycle seat in the rear and a luxurious seat in front. I suppose that the name “Puff-Puff” was a tribute to the noise made by the engine; but when I recall the efforts with which I pushed that vehicle, with Mrs. Flint in the chair, the name might just as well have been taken for a description of my breathing.

I attended the first automobile race on Decoration Day, 1896, when the machines had not yet outgrown the title of “horseless carriages.” The judges of this pioneer contest were Chauncey M. Depew and Frederick Thompson, the president of the Pennsylvania Railroad. The committee in charge were very wise in arranging the course so that the race would finish at the bottom of a hill instead of at the top. I believe that eight horseless carriages crossed the finish line, but I am not sure how many were left along the road.

After the race a dinner was served at the Ardsley Club. Chauncey M. Depew was the chief speaker; and his diplomacy in picturing the glorious future of the auto-

mobile, and in avoiding reference to its present inadequacies was no less skillful than the tact which he displayed on a later occasion when, as president of the Pilgrim Society, he spoke at a luncheon given to the British Ambassador Geddes. Depew was to make the first speech, and the attitude of American officials towards De Valera had been such that it was impossible for him to avoid that subject. But in view of the Sackville-West incident and diplomatic proprieties, it would have been difficult for Depew to have tried seriously to defend our attitude towards De Valera. The real explanation of the American attitude was that some of our politicians were playing to the Irish galleries; but it would have created bad blood if the fact had been plainly stated, so Depew diplomatically took the De Valera hurdle by putting our defense in the mouth of the Prime Minister of England. He informed his hearers that when a member of the British Cabinet had spoken to Lloyd George regarding America's attitude towards Irish politics, the Prime Minister had simply asked: "What is the date of the American election?"

The recital of this anecdote was followed by general laughter and good feeling in which Ambassador Geddes joined.

It was with the same delicacy that Mr. Depew dealt with the imperfections of the horseless carriage.

My faith in the future of the automobile was sufficient to cause me to retain Ralph Morgan of Worcester, a mechanical engineer, to report on the state of the art. As a result of his investigations he built an automobile which, altogether, cost about \$25,000. This car, along with

certain patents which we had secured, I turned over at cost to a corporation in which I was interested.

One of my earliest experiences with a steam machine was in 1898 when Stanley drove into Irvington, and I was asked by John Brisbane Walker, the editor of the *Cosmopolitan Magazine*, to ride in the Stanley Steamer. Mr. Walker gave me the choice of riding with him or with Stanley, and I chose Stanley. I was afterwards told that when Mr. William Rockefeller—who from the very outset watched with great interest the evolution of the automobile—was the first to ride with Mr. Walker in the Stanley Steamer, he was considerably stimulated by Mr. Walker wondering whether there was any water in the boiler! There was no reason for Mr. Rockefeller to be worried on that point, as the Stanley Steamer used steam only as it was produced and the boiler was not subject to an explosion.

The first real automobile which I drove, the Locomobile, was of inferior design and construction; but I predicted that the automobile would eventually be standardized as the rifle had been, and that although the first machine might cost half-a-million dollars or more, standardized quantity production would ultimately result in low prices. However, I never had the vision to foresee the amazing success of Ford along these lines.

I was the first person to take an automobile to the South Side Sportsmen's Club, which has since been a Mecca for so many of the high class cars. The automobile was a curiosity and I undertook to explain its character to a number of the club members who crowded around the



unusual vehicle. In the midst of my informative lecture, the exhibit added to the excitement of the occasion by blowing out one of its boiler tubes.

My early trips by Locomobile to the South Side Club were never events of uninterrupted progress. Mrs. Flint, who generally went with me, said, "We always get into trouble when we stop." She reminded me of that mother, who, when her daughter asked whether she could go walking with Jimmy in the park that evening, replied, "Yes, my daughter, if you'll keep walking."

In the early part of 1903, George Day conferred with me in regard to utilizing the Selden Patent. He doubted that the patent would stand the test of litigation, but pointed out that owing to the comprehensiveness of its claims, it would be a very desirable patent around which to form and maintain an organization of American automobile manufacturers. Such an organization was formed, and the result was that Day and those for whom he acted received a profit from the operation, while the industry generally benefited from the fact that the mechanical engineers of the various companies in the Selden Patent Association met from month to month, for the purpose of discussing the latest technical developments in the automobile world. As a result of this co-operation, America, which was far behind in automobile development when the Association was organized, overtook the French and Germans, and finally produced automobiles of the very first quality. Developing along other lines than those of quality, Ford played a lone hand, standardized quantity production, paid the highest wages but obtained

the lowest production cost, broke the Selden patent, and with his low-priced cars made a greater financial success than all the rest together, incidentally giving Wall Street some pointers in finance.

Low-priced cars have done more to eliminate class distinction than any other single agency, as I have observed that the man with the Ford does not envy the owner of a Rolls-Royce. As I drive through the country, particularly during the berry and fresh vegetable season, I am very much impressed by the happiness of the owners of the cheapest cars. The achievement of Ford has meant so much to the people of this country that I am not surprised that the politicians are regarding him as a factor of great importance in national politics.

I became expert in driving through traffic and although I was the thirteenth to take out a license at the Mulberry Street Police Station, that number proved to be a lucky one, as I have never had an accident. I have driven the aviators Santos Dumont, Wilbur Wright and Orville Wright, and also Simon Lake. Three of these men had braved the perils of the air, and the fourth had felt quite at ease upon the bottom of the sea; but all of them evinced more or less anxiety when they drove with me down Broadway. And when I accompanied business conversations with appropriate gestures they grew more than anxious.

I have owned a great variety of cars, and I was one of the seven incorporators of the most important automobile club in the world: The Automobile Club of America.

## THE AUTOMOBILE AND AEROPLANE 245

The aeroplane was the creation of Wilbur and Orville Wright who, in 1905, were the first to climb into the skies in a "heavier than air" machine. The Europeans had talked about what they were doing, and world-wide publications announced what they expected to do. In 1908 a banquet was given in Paris to celebrate the success of the Wrights who by that time had excited considerable jealousy. A speaker, following Wilbur Wright, known as the man of silence, who had regretted that he was not an after-dinner orator, remarked that "among the feathered tribe the best talker and the worst flyer is the parrot."

In the case of claims for discoveries or inventions, serious questions generally arise as to rights of priority. For this reason the courts usually refuse to grant injunctions until patents are adjudicated valid, but in this case the Wrights were flying while the rest of the would-be "heavier than air" machine navigators were trying to get off the ground; so the court naturally made an exception and granted the Wrights an injunction before adjudication.

The Wrights were men of high principles and they were public spirited. When a partner of P. T. Barnum and I elaborated a plan to make a profit of several hundred thousand dollars by charging admission to see the Wright's wonder of the air and age, they refused the profit and the public were admitted free.

England was the first to seek information about the Wright aeroplane, and as early as 1904 Colonel Capper, head of the Royal Aircraft Factory, visited Dayton; but the Wrights were patriotic, and before they would sell the aeroplane to any other nation they wrote to Washing-

ton offering to turn it over to our government. The reply which they received was a "snippy" one, and quite in line with the policy which caused Hotchkiss to go to Paris to exploit his machine gun, and which resulted in our failure to adopt, adapt, exploit, and control the American submarine inventions of Bushnell, Holland, and Lake. It is a lamentable fact that most of our soldiers killed in Europe during the World War were killed by American inventions.

I first took an intense interest in the Wright aeroplane when our Mr. Ulysses D. Eddy visited them on Thanksgiving Day, 1906, at their home in Dayton.

After the United States Government failed to take advantage of the Wright discovery, they asked me to offer their aeroplane to England.

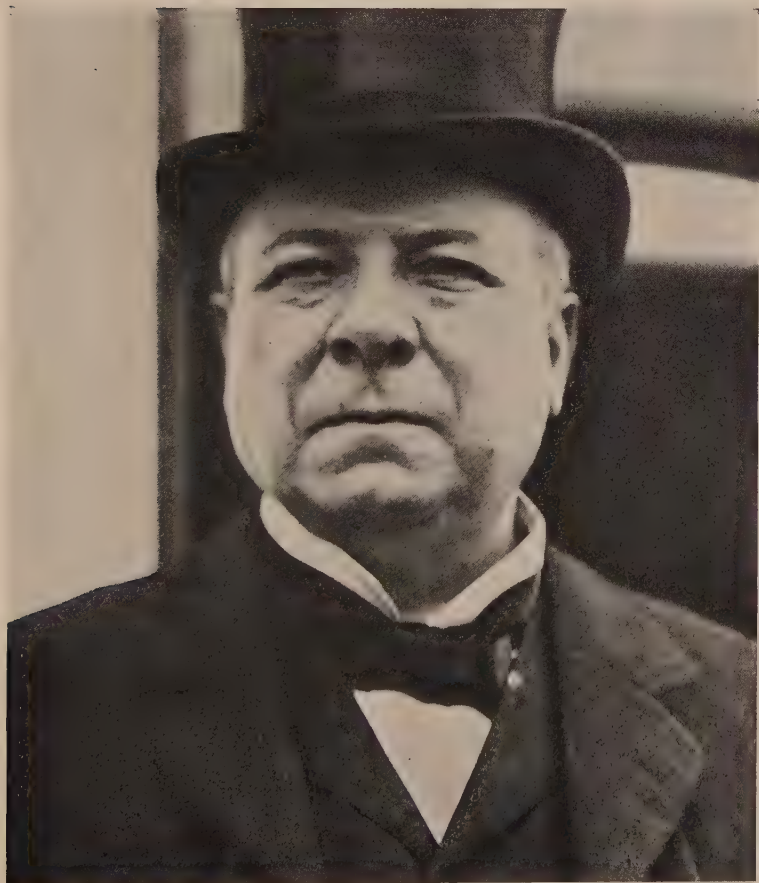
In a speech made in London, Cobb once said "Blood is thicker than water," but owing to a patronizing speech made by the speaker who preceded him, he added, "Thank God for the 3,000 miles of water" and abandoned the speech he had prepared.

The Wrights, however, without any reservations whatsoever, gave England the opportunity to be the first to establish a navy of the air. I opened negotiations with Lord Haldane, the Minister of War, through Lady Jane Taylor, as I was satisfied that he would give her an immediate audience. I cabled to her offering for \$500,000 ten aeroplanes that would each fly fifty miles. Haldane replied that a fifty-mile flight was too short, so I offered him twenty aeroplanes that would each fly 200 miles for \$1,000,000. In reply Haldane told Lady Jane, "That's





Lady Jane Taylor



Lord Haldane, Secretary of State for War, 1905-12





Yankee tall talk!" I then offered to exhibit the Wright aeroplane to Ambassador Bryce, at a club of which I was a member, about an hour's ride from Washington. I also offered to pay the costs of demonstration in England and to make a deposit in any bank in London His Lordship might name to be forfeited in case we did not make good. His Lordship then suggested to Lady Jane that we send over plans and specifications. For over two years the British government had been trying to get information about the Wright aeroplane; and I sent in cipher an appropriate negative characterized more by force than by elegance. Soon after I received the following letter from my Scotch friend Lady Jane:

"You will be amused that I have been interviewed by order of the Post Office officially to find out whose code I am using, what the meaning of certain words is, and in fact to give the show away. The official sent left me much discomforted by the impracticability of my replies and fully persuaded of the truth of the Scotch saying, 'Ye can sit on a rose, ye can sit on a shamrock, but ye canna sit on a thistle!'"

The Germans were quicker than any others to recognize the great possibilities of the Wright aeroplane. It was exhibited by Orville Wright in a park at Berlin where there were thousands of people to witness the flight. When the aeroplane was taken across the field there walked in line behind it the Chief of Staff General Count Moltke, Orville and Miss Wright, Mrs. Flint, and myself.

After the Berlin flight, the newspapers stated that the Emperor had extended his hand to Orville Wright and

congratulated him on his achievement. It was said that the Emperor's words were: "Mr. Wright, you have revolutionized modern warfare."

I question whether this statement would have been made by the Emperor under conditions where it could have been taken seriously. Such a remark might have been made to disarm suspicion regarding Germany's big aeroplane preparations. In fact the Germans were generally very diplomatic in regard to war preparations. They gave out sufficient information to maintain their prestige in affairs of war in order that German officers might be the military instructors of the world—even the Colombian soldiers at Bogota were taught the goose-step march; and in order to maintain their huge munition plants they encouraged orders from foreign nations. I was impressed by their prestige when Major H. R. Lemly, acting with my firm, went to China and other countries to sell woven military equipment. The fact that the United States had used it exclusively for five years had little influence; but when it was stated that the German government was considering its adoption, government officials became intensely interested.

Not long after the exhibition of the Wright aeroplane, the Emperor invited to a dinner twenty prominent men, the majority of whom were interested in the German dirigible enterprise, and told them that something ought to be done in Germany to develop the aeroplane. After coffee His Majesty retired, saying the German equivalent of "It's up to you." The imperial guests went down into their pockets, including Isador Loewe who contributed



King of Spain

Wilbur Wright



Katherine  
Wright

Orville  
Wright





\$40,000, and Rathenau who contributed a smaller sum. In 1908 we sold the Wright invention to a German company, and in 1909 the Emperor visited the Wright aeroplane factory in Berlin and inspected the machines.

Some years earlier, the Krupps had opened negotiations with us for the Lake submarine inventions. As an evidence of German prestige in affairs of war, Florio of Naples, hearing of our negotiations, paid our agent \$40,000 in order to secure for Italy a six-month's option on what we were selling to the Krupps. But after the Germans had thoroughly satisfied their thirst for knowledge regarding Lake's inventions, by a careful examination of our plans and specifications, they omitted the formality of signing on the dotted line. Florio, inferring from this that the inventions were of no value, bid good-bye to his \$40,000.

We offered the Wright aeroplane to every minister of war in the world, and wondered why our offers were unanimously treated with indifference. The explanation was simply that the Germans did not openly favor extensive use of the aeroplane for military purposes.

Their apparent indifference to aerial weapons represented only one phase of a well calculated plan. The Germans were perfectly willing to furnish the world with ordinary munitions; but they regarded such munitions as of secondary importance in comparison with their super-war armaments, super-aeroplanes, super-submarines, super-cannon—the cannon which destroyed the Liège forts—the cannon that fired on Paris at a distance of seventy miles. They realized that world preparedness

was inevitable, but they were confident that the preparedness of other nations must prove inferior to theirs. While they amiably forged thunderbolts for foreign purchasers, they secretly did some super-forging on their own account.

When I visited Essen, four years before the World War, I was cordially received. I was shown hospitals and the comfortable homes of their laborers. I was given a seat at the head of a bountiful board where I tasted many kinds of their vintage wines, and was escorted by one of Krupp's directors to Düsseldorf; but this truly Teutonic hospitality hung like a thick curtain between me and the war preparations that I would have liked to see. At the Koerting factory in Hanover I observed that the most advanced submarine and torpedo boat engines were boarded up so they could not be examined.

In France we formed a company for the exploitation of the Wright inventions. Wilbur Wright sailed for France in May, 1908, and his first flight was made at Le Mains on August 8th, of the same year. The French did not make much progress in their experimenting with heavier than air machines until after the Wright flights at Le Mains, when they built aeroplanes based on Wright inventions, which they called "Wright machines." Contrary to general opinion, theirs was not an independent parallel development.

Rear Admiral Bronson, Mrs. Flint and I witnessed the Orville Wright-Selfridge flight at Fort Meyer, and saw the aeroplane fall. I rushed to the plane with Mr. Charles White of Baltimore who was noted for his powers of observation.

"Lieutenant Selfridge," he said, "will probably die—he does not move his fingers—but Orville does, and will probably survive."

Selfridge died that evening, the first man to be killed in a power airship.

Mrs. Flint then and there made me promise never to go up in an aeroplane, and I have been as faithful as Irvin Cobb was when leaving the German army for tide water. The colonel made him give his word of honor not to leave the squad. Cobb knew enough German to understand the colonel's order to the captain: "If that man Cobb starts to leave the squad, shoot him at once!"

Cobb told me later: "I never kept my word of honor so easily."

In declining requests to go up, I often referred to a precedent established by the King of Spain. When we invited His Majesty to ascend at Pau, he replied, "I have promised the Queen not to go."

The Wrights invited me to be their guest when Lord Northcliffe visited Dayton to present Orville Wright with the Albert Medal. After lunch at the Wright home, where I sat at Orville's left, we adjourned to an auditorium where there were two thousand people. Governor Cox made a speech the style of which was somewhat redolent of the stump. After which Lord Northcliffe stepped forward and in a low but impressive voice said, "Let us rise and stand in contemplation of the memory of Wilbur Wright." He then and there won the heartfelt esteem of that audience and talked to them in a conversational way that recalled the manner of American Commonwealth

Bryce. Northcliffe requested me to ask in his presence whether the Wrights were being taken care of by the business men of Dayton who were morally indebted to them as the founders of their aeroplane prosperity, as he desired that a financial understanding in the Wrights' favor should be made clear in his presence.

When on the train homeward bound, I invited Lord Northcliffe to dine at the Dower House, formerly occupied by the Lords Baltimore, to meet Justice McReynolds of the United States Supreme Court, Patrick Francis Murphy, Irvin S. Cobb, Major A. E. W. Mason, Robert H. Davis, and Captain, now Rear Admiral, Sir Guy Gaunt, Northcliffe's adaptability was shown by his reply: "I must leave immediately for London, but give me a rain check."

Whether that was American slang or whether he had in mind a "wet party" I know not; but the Dower House was just beyond the prohibition boundary of the District of Columbia.

I had and have most pleasant relations with the Wrights. Mrs. Flint and I were of some service when Orville was injured in the fatal flight with Selfridge; but the Wrights and I did not always agree. Our discussions were always frank and both parties evinced a desire to arrive at wise conclusions, but the Wright brothers retained the power to decide on business policies. I told them that my experience had satisfied me that patents in themselves as a rule could not be relied upon; that there was not one patent in ten thousand which proved to be a basic or master patent; that success in the exploitation of inventions

depended principally on preëmpting and extending the commercial field; that patent litigation was expensive, in the end generally unsatisfactory, and that it was not popular, as aggressive patent litigation interfered with the natural evolution of the art.

The Wrights were not lucky accidental discoverers: they were patient, intelligent, industrious investigators. At the outset they made use of existing scientific data but after their Kitty Hawk and Dayton experiments they decided that they would have to rely on their own investigations. They did not attempt to keep their work secret and sent their tables to Chenute, desiring to assist other investigators. But if our government had had the wisdom to secure the Wright aeroplane, Wright secrets would then have become state secrets.

The Wrights realized substantial sums from their inventions, but these were insignificant when compared with their scientific and practical accomplishment.



## CHAPTER XVIII

### INTIMATE GLIMPSES OF TILDEN AND OTHERS

I BECAME intimate with Samuel J. Tilden when he was generally known as the "Sage of the Democratic Party," and was often referred to as the "Sage of Greystone." My brother-in-law, Dr. Charles E. Simmons, was his physician. At that time Tilden was not impressive in appearance. He could speak only in a hoarse whisper. On one occasion a Democrat, a fine specimen of physical vigor, desiring to pay his respects to the head of his party, arrived at Greystone where he was told that the Governor was asleep. After waiting an hour, he saw Tilden approaching, shuffling across the marble floor of his great hall on the arm of Mr. John Bigelow. The raw-boned, broad-shouldered Democrat went to meet him.

"Great God, Governor," he exclaimed, "I am grieved to find you in this condition. If it were possible I would give you my physique in order that you might be preserved for the benefit of the Democratic Party."

This well intended exclamation was an awkward one for the Governor to respond to; but, as always, he was quite equal to the occasion.

"Bigelow," he whispered, "that's what my brother, Henry, said six months ago; he's dead now."



To Charles R. Flint, Esq.,  
With cordial regards of,  
"Graystone." S. J. Tilden  
Yonkers, New York, Dec. 11, 1885.



Tilden was one of the ablest men of this country. In the later years of his life, although in full intellectual vigor, he was unable to carry on a general conversation without serious prejudice to his voice. He therefore had to condense much into one sentence, an ability that was increased by daily practice. I have never heard of another instance where a man of great ability was thus forced to develop an almost superhuman power of concentration.

Mrs. Flint, on the occasion of one of our visits to Greystone, was telling Tilden's nieces of a man who had recently died, and put in trust all the money that he had left to his female heirs. Tilden had drawn and was redrawing his will on the same lines as the late lamented. While the ladies were berating the deceased for not having shown more confidence in womankind, Tilden entered. Desiring to put an end to such abuse, he combined force with worldly wisdom, resorting to humor as an emollient; and put me in the embarrassing position of having to repeat his one sentence:

"If you leave money to a woman, it's either kicked or kissed out of her!"

During my courtship, Miss Simmons, now my wife, and I were lunching at Greystone with Governor Tilden and some friends. A party of us had come up in my sloop yacht *Gracie* and it was anchored off Greystone. Yachting was one of the subjects of general conversation. As usual, all looked for the Governor's one sentence.

"Flint," he whispered, "are you trying to persuade Miss Simmons that yachting is the chief end of matrimony?"

Invitations to Greystone were always promptly accepted by Democratic politicians, as its owner was the "sage of the party." Daniel Lamont, in answer to one of Tilden's requests, broke engagements, hurried to the train, and on arriving at Yonkers gave an extra fare to be hurriedly driven to Greystone. On his arrival he was informed that Tilden was asleep. On waking, Tilden took Lamont's arm, and walked him out to the piazza overlooking the Hudson and the Palisades.

"What a magnificent view!" he commented.

After which Lamont took the train back to New York, wondering what Tilden originally intended to say to him and why he had changed his mind.

After the election of Cleveland, prominent Democratic politicians made a practice of meeting at Greystone to discuss possible cabinet members. It was Tilden's wish, and the unanimous desire, that Daniel Manning of Albany should be made Secretary of the Treasury, and that Jordan be Treasurer. Both men were appointed.

During Cleveland's administration, Tilden, who was a very able financier, wrote many letters to Treasurer Jordan, which Jordan turned over to Secretary Manning, and which were read by President Cleveland. In these Tilden, with his remarkable ability for clear statement, gave sound advice as to national finances. Cleveland's soundness on financial matters was of great benefit to the country.

At one of the meetings at Greystone, Sam Randall asked the Governor: "Whom do you recommend for Secretary of State?"



Tilden, having to reply in one sentence, created a situation for an effective blow by whispering: "Bayard."

All were astonished.

"Why Governor," Randall exclaimed, "I have never been so much surprised in my life! Bayard has never been friendly to you, and you have never regarded him as a man of the first order of ability; why do you suggest him for the first position in the Cabinet?"

"He will make a bigger fool of himself there," observed Tilden hoarsely, "than anywhere else."

Tilden did not live to know of Bayard's success as Ambassador to the Court of St. James and as Secretary of State.

The day after the election of 1876, when there was no question in the minds of the Democrats that Tilden had been elected President of the United States, John Hunter, Manton Marble, and "Marse" Henry Watterson called on Tilden at his Gramercy Park residence to endeavor to get him committed as to what positions they would hold under the new government. John Hunter was given the opportunity of making the first attempt. He was very easily bowled out; then Manton Marble took his turn with the same result. Watterson, seeing the unsuccessful attempts of his confrères, made up his mind to state his own case very clearly.

"Governor," he said, "I am leaving in the morning for Kentucky, and on my arrival at Louisville my friends, knowing the important part I have taken in your campaign, will gather around me and ask me as to what my relations with the new government are to be."

Tilden, who had ordered some of his celebrated Johannesburg wine, filled Watterson's glass at this juncture, and put his hand on Watterson's knee.

"Henry," he counseled, "when you arrive home you say to your friends—say to all of them—that you will be one of the closest friends of the administration."

This was as specific a statement as Watterson could elicit from Tilden on that subject.

As Tilden had an enormous fortune, and was restricted in his activities owing to his physical condition, I asked him to come down the bay with me in the *Gracie*, with the idea of inducing him to take up yachting, which he later did. We were sailing by Governor's Island.

"What a fine place," he whispered to me, "for a residence."

"Yes," I replied. "Yet Hancock, who had the best location on the Island wanted to move to the malarial banks of the Potomac, but the tariff as a local issue knocked out his plans."

"When I was running for president," Tilden answered, "all my friends tried to persuade me to write a letter on the tariff. I didn't."

And as many politicians before and after learned, there was much wisdom in "I didn't."

Governor Tilden loaned me his steam yacht *Viking* to go down the bay to receive Mr. Thomas Baring who was to arrive on a Sunday from England. It being a pleasant summer day I took the opportunity to steam up the Hudson and down the East River. On returning to Greystone to thank the Governor for his yacht, I remarked

that it had been recognized by excursionists and that they had cheered as we went by their steamers.

"Have you ever read," he whispered, "my letter on Sumptuary Laws?"

On receiving a negative reply he touched a button and in came Johnny with the letter, which he handed to me. At the time Tilden wrote that letter he was running for attorney general on the Democratic ticket, and to a considerable extent he had to rely for his election on the enthusiasm of those engaged in the sale of alcoholic beverages. On the other hand, he wanted the support of the prohibitionists. The letter is certainly Tildenesque. He paid an eloquent tribute to temperance, and then turned the corner with these words: "It is proposed to substitute the wisdom of the Senate and Assembly for the plan of moral law ordained by Providence."

Tilden was elected Attorney-General.

A joint account with Tilden gave me a view of him from a new angle. In 1885, when Mr. Morgan arrived in New York from London, I, being in possession of confidential information he had given me, asked his consent to arrange a joint account with Governor Tilden, which he gave.

I went to Greystone.

"Governor," I said, "I want to go into partnership with you on the basis that you furnish the money and I the activity and early information, and as money generally gets the better of activity and early information, I propose that you receive two-thirds of the profits, and I one-third."

He whispered that he would give me an answer in three

days. I did not hear from him, and, at the end of the fourth day I went to Greystone.

"Governor," I said, "I will not renew the proposition I made to you in reference to West Shore bonds. Owing to your procrastination some opportunities for profit have been lost. I am now willing to treat with you on a fifty-fifty basis, which will give me the same profit as one-third would have yielded me before."

To this he assented, and we each made a profit of \$75,000; while I had an opportunity to become acquainted with his great ability in railroad reorganization—in many phases of which he was a pioneer.

According to the Democrats, Tilden was cheated out of the Presidency. My sporting partner, Judge Calvin E. Pratt, for many years Judge of the Supreme Court of New York, who had been a general in the Civil War, wanted to take up arms in Tilden's behalf. *Puck*, the prominent pictorial paper of the day, whose cartoons against Tilden had been cruel, published in its first issue after his death a double page picture in which Tilden was represented walking down the steps of the national Capitol, with a figure of Civil War offering him the torch, which Tilden waves to one side as he continues down the steps. I had many opportunities of knowing that this picture illustrated the controlling reason why Tilden did not go further than he did in asserting his right to the Presidency.

Tilden had a very high opinion of Grover Cleveland; and he told me of an incident which was characteristic of the man.

One of the two leading politicians of the State of New

York called on him to advise him not to sign a bill which had passed the legislature.

"Mr. Cleveland," said the Senator, "that bill is all right but to sign it would be very bad politics."

"If it is all right," said Cleveland, "it is good politics."

And he signed the bill.

James J. Hill was one of the great nation builders. In 1884 I sat next to him at a dinner given by John J. Knox, ex-Controller of the Currency. Mr. Hill in his usual direct way asked: "Who is going to be the next president of the United States?"

"I feel," I replied, "like the nigger who, when asked to change a ten dollar bill, said: 'I haven't the money but I sure do appreciate the compliment.'"

"You are the only man I know," Mr. Hill persisted, "who can find out. The Democrats will in my opinion win the next presidential election; you are intimate with the man who, were it not for his feeble health, would be nominated by acclamation. Tilden will name the nominee."

"I will try," I replied, "to get you the information."

Soon after this I found an excellent opportunity to talk to Tilden. We were steaming down the Hudson River in the yacht *Viking* (which I had purchased for him), after having witnessed the impressive ceremony of retreat at West Point, when at sundown a salute is fired and Old Glory is lowered. I had been talking of Tilden's financial success and his political career. An ex-queen of the Mardi Gras sat on the opposite side of the deck in the moonlight. Without my knowing which of the



events of his career he referred to, he hoarsely whispered: "Everything has come to me late in life."

I then told him of Hill's desire to know whom he would favor nominating for President, and Tilden consented to my telling Mr. Hill.

The answer to Mr. Hill's question was Grover Cleveland. Mr. Hill appreciated my obtaining it. For years he sent me railroad passes, and on one occasion, when I went shooting on the line of his railroad, furnished me with a private car.

In order that the Convention should have before it a definite statement as to himself, Mr. Tilden, referring to his feeble health, ended his letter to the Convention with these impressive words: "Bowling in submission to the Will of Almighty God, I declare my public career forever closed."

And Cleveland—honest, courageous, and with admirable judgment—was nominated.

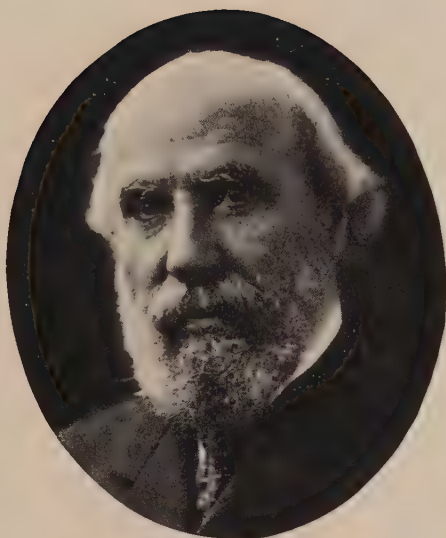
Mr. Hill had remarkable foresight. I was particularly impressed by it at a small dinner which I gave at my home to Thomas Baring. Hill described the railroad conditions in the southwest and predicted the failure of the Atchison, Topeka & Santa Fe in which the Barings had taken an interest in connection with Kidder, Peabody & Co. Baring had to leave early and as I went with him to the outer door, I said to Baring: "Hill doesn't paint a very good picture of your Atchison."

"In finance," Baring replied, "things are seldom as good or as bad as predicted."

Two years later, when Baring and I were walking to-



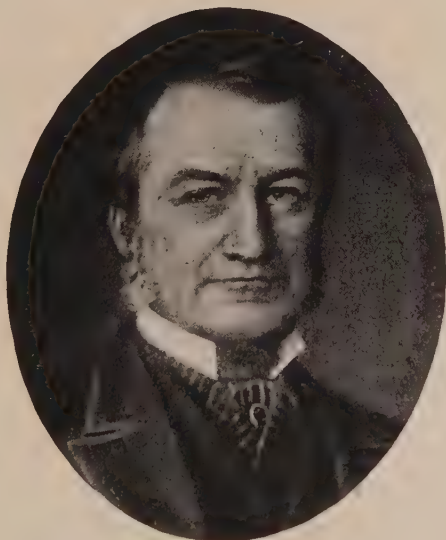
Grover Cleveland



James J. Hill



James Stillman



William R. Travers



gether on his estate in Norfolk, I referred to Hill's talk. Baring replied with a thoughtful expression: "I distinctly remember Hill's predictions; he proved to be a true prophet."

Hill was always very quick to rise to an incisive point. The last time I talked with him he accosted me on the elevated road.

"How is the State of Maine?" he asked.

"As Maine goes the country goes," I replied, and expressed my appreciation of his remembering my native state. I then told him I had written to him calling his attention to a system of accounting in which I was interested, and that the only reply I had received was from his secretary on one of his "toboggan slide forms," perhaps Number 23. This commonplace reference made little impression on Hill. I then told him that every important system of railroads in the country was using that system, "except the Gould roads and the Hill roads." The mention of the Gould roads in the same class as the Hill roads acted upon him like the discovery of an open switch; and he quickly responded: "Flint, write me a letter to St. Paul, mark it personal, and it will receive immediate attention."

The ablest bank president I have ever known in the financial district of New York was James Stillman—cold, calculating, acquisitive. I once asked him the secret of his remarkable success.

"I always cultivate the acquaintance of the rich," he answered.

At a dinner given by Delafield, the president of the Park Bank to Thorne, its newly elected vice-president, the prominent bank officers of New York were present. Owing to my friendly relations, the president placed me next to Mr. Stillman at the head of the table. There were about thirty guests, and most of them were called on for extemporaneous talks. I had not the facility for after-dinner speaking; but when I was called on I had to say something, so, seizing on the first thought that came into my mind, I stated that upon my arrival my host had taken me aside and had told me he would place me next to Stillman if I would give him half the money I made out of him. Although Stillman's power in finance was so great that no bank president would ever have dared to smile at any remark about Stillman in his presence, there being twenty bank presidents present they all smiled together.

I explained that I had done my level best on account of the fifty-fifty deal with my host, but I felt very much like those men who answered an advertisement to come down to the Hudson River to work. They lined up along the river, and the man who put in the advertisement called out to them: "Now, boys, take off your coats and get to work!"

"Yes," they answered, "but what are we going to get?"

"Get? You will get half the ice you cut!"

Stillman was always a money accumulator—a man of overpowering ambition, which he realized in finance. And while he undoubtedly enjoyed the power that he exercised as being the leading bank president of America,



he never inspired geniality and good-fellowship, and I do not remember anyone who ventured to call him "Jimmy."

In 1882 I gave a dinner at the Union Club to Sir Harry Parks of New South Wales. Next to the guest of honor I placed William Henry Hurlbert, the brilliant editor of the *New York World*. He, by the way, was so fond of the good things of life that he was frequently tempted for the sake of them to postpone his editorial writing to what for others would be a perilously late hour, but which left him quite time enough to send in an important editorial involving statistics and quoting authorities, ready to be set up without correction.

I remember that one of our correspondents instructed us to give him a check for \$10,000 to write a book about South America. This I did. He visited South America and was royally entertained, particularly by those who wanted to be written up, but the book has never been published. And so another paving stone was added to that resort where paving is largely done with good intentions.

Next to Mr. Hurlbert sat that financial giant Henry B. Hyde, the founder of the Equitable Life Assurance Society. General Palmer, President of the Denver & Rio Grande Railroad was also present. I remember him as the best bond seller I ever listened to. He sold my firm bonds of the Mexican National, and I became one of its first directors. His selling method was ultra-conservative presentation. Others at the dinner were Anson Phelps Stokes, ex-Postmaster Thomas L. James who afterwards

became president of the Lincoln National Bank, and Mayor Prince of Boston.

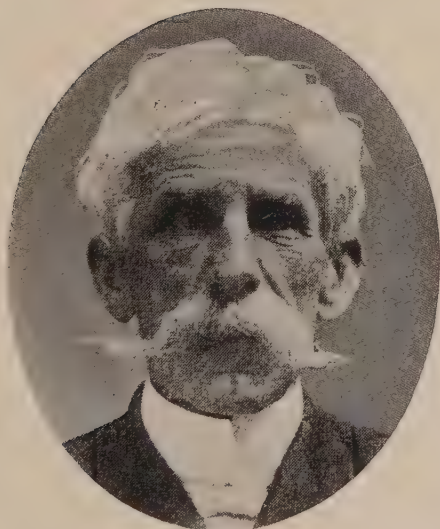
The Sunday after the dinner referred to, a card came up to my bachelor apartment, "J. V. Prince—brother of Mayor Prince." I gave an order to show him up to my room, and apologized for receiving him while I was in bed, but told him I thought that more considerate than to keep him waiting. He was a man of distinguished appearance, with iron grey hair and classical features. He said that he had come on from Boston the day before but that he had arrived too late to cash a check at his bankers' as their office closed at noon on Saturdays, and asked me if I would give him a letter of introduction to one of my clubs in order that he might get his check cashed for \$150. I suggested that perhaps he had named a sum less than he could use, and that it would be quite as convenient for me to give him a letter asking that his check be cashed for a larger sum. He replied that \$150 was all that he desired.

On reflection it occurred to me that I would better avoid the possibility of being chaffed by my genial friends on being taken in by a confidence man on this lovely Sunday morning; so I put an extra pillow under my head, to gain time, and a method occurred to me by which I might check up Mr. Prince.

"Mr. Prince," I began, "I am particularly pleased at this opportunity of rendering a service to a brother of my friend, Mayor Prince. I have been royally entertained by your brother. By the way, while at his house a Miss



Henry Ward Beecher



Franklin J. Moses, Governor of South Carolina during the so-called period of reconstruction.



Burbank sang very sweetly for us; does she still keep up her music?"

He recalled that she did. In order to make assurance doubly sure, I referred to a baritone who sang with her, a Mr. Chaplin. He said that they still sang together. I then told Mr. Prince that if he would step into my reception room I would get up and write the letter he had requested. I took up the telephone to call a detective, but it was the beginning of the fashion of portières instead of doors and the would-be borrower quietly stepped out and has never been seen by me since that time. I afterward learned that he was ex-Governor Moses of the state of South Carolina, which carries us back to the days of the carpet baggers following the Civil War. I heard later that Moses found his natural resting place behind the bars.

An intense feeling of the South against the North developed out of the Reconstruction—so called. The opportunities given at that time to men like Moses to secure political power and the control of resources in South Carolina, Georgia, Alabama, Mississippi, and Louisiana, constituted a real outrage on the South and delayed for years any real reconstruction.

The assassination of Lincoln was most unfortunate for the South, but fortunately Grant was in favor of giving the South a chance to reestablish herself, and when the report came that a plan was afoot to arrest General Lee, Grant hurried at once to President Johnson and said that Lee had surrendered to him at Appomattox and that he had there told him that he was not to be disturbed, that he was free to go ahead and reconstruct his country; and



Grant informed the President that the Army was going to see that those terms were carried out.

Immediately after the formation of the Bicycle Consolidation, George W. Young, the able president of the U. S. Mortgage & Trust Company, Joseph Auerbach, the distinguished counselor, and I came uptown in a cab together. A. G. Spalding, unable to pay cash, had appealed to Auerbach to save the day by going before the disappointed manufacturers and persuading them to take securities instead of cash, Spalding giving Auerbach his promise that he would be well taken care of.

Auerbach in telling Young and myself of Spalding's failure to live up to that promise, said: "Spalding not only made me the promise but gave me his hand on it!"

"Well," observed Young, "he may be left handed!"

I was called in as an industrial expert in the formation of the American Bicycle Company. But I had no knowledge of the business, made no investigations and did not invite my clients to subscribe to its securities.

I invited Messrs. Spalding, Lane, partner of Lee, Higginson & Co. of Boston, and George W. Young, on board my yacht. They asked me if I would give them the opportunity to confer together privately so I went forward. On such occasions the custom on a sailing ship is to go forward and sit on the bowsprit, but by going to the forward deck, I was sufficiently far away not to hear the conference. After some time they asked me to come aft, and told me that they thought, after due consideration, if they gave me \$25,000 in common stock, it would seem

about right. They asked what I wanted. Not having a high opinion of the stock's value and feeling that \$25,000 was very much less than what they should offer me, I astounded them with the figure of \$300,000. To get around an awkward pause, I suggested that as it was a hot evening they might enjoy going down to the Atlantic Yacht Club to spend the night.

"We haven't any night shirts," objected Spalding.

I said that I could supply those as I had plenty on board, at which Young spoke up: "After listening to the \$300,000 proposition, I don't want a night shirt, I want a shroud."

"No, Young," I replied, "you couldn't possibly use a shroud—it hasn't any pocket."

One of the five most eloquent clergymen who ever preached in the city of New York was Dr. Chapin, the prominent Universalist and an intimate friend of Henry Ward Beecher, the Congregationalist.

In a spirit of friendship Chapin once declared to Beecher, whom he always addressed by his first name: "Henry, after all there isn't so much difference between us in religious matters."

To this Beecher quickly replied: "There's a Hell of a difference."

Of all the men of natural wit whom I have ever met the wittiest was the able financier William R. Travers. I was never with him that I did not feel I was robbing posterity of many laughs by not having a pencil and paper to take

down what he said. The fact that he stuttered in no way blunted the edge of his wit.

Travers was once present at a dinner where Henry Clews spoke proudly and conceitedly regarding the fact that he was a self-made man.

"Clews," Travers stuttered, "if you are a s-s-self-made man, wh-wh-why didn't you p-p-put more hair on your head?"

At this there was general laughter. A. T. Stewart, the great dry goods merchant, who was presiding, tried to stop the hilarity by knocking with his stubby lead pencil on the table. Whereat Travers called out in a loud voice: "C-ca-ca-Cash!" after the manner of the salesladies in Stewart's store.

At which the hilarity mounted to a roar.

When Travers and Jerome were visiting in Rome, the guide pointed with commendable pride to the Coliseum and said: "There is the greatest ruin in the world."

"Well," remarked Travers to Jerome, "I guess he never heard of Pacific Mail."

One night Travers returned home at a late hour. Mrs. Travers asked: "William, why are you coming home at this time?"

"M-my dear, t-th-this is the only p-p-place I c-c-can get in."

Someone, meeting Travers in New York, observed: "You stutter more than you did in Baltimore."

"Y-yes," Travers agreed. "This is a b-b-bigger p-pl-place."

Before the days of prohibition, when Travers was

cruising with a yachting party, down the Sound, he proposed that when the mate announced a lighthouse they should take a drink. Finally the mate called out : "Lighthouse on the starboard—another on the port. "Captain," stuttered Travers; "This is Paradise, L-l-let's Anchor!"

Some years ago at a hotel in Genoa, an Englishman of dignified demeanor who was sitting opposite me at the table d'hôte asked if I could tell him the hour when the express train left for Rome. I answered him with exactness and he struck up a conversation. It is a part of the creed of a certain class of Englishmen never to speak to anyone while traveling. If you ask this kind of man a question—he belongs to a certain self-conscious class, far from the highest and yet not the lowest—he will answer in monosyllables and take particular pains to see that no general conversation grows out of your query. Knowing this, when traveling I always let the other man start the conversation. Americans have something of a bad name abroad for their readiness with questions at every conceivable opportunity—and some that are not so easily conceivable. They are sometimes so eager to start conversations that it becomes immaterial what the conversation is about.

As this Englishman and I were talking, his wife, who might best be described as a woman of considerable proportions, joined him. She believed that Englishmen abroad should never talk, and especially that they should never talk to Americans. Having the notion that I had begun the conversation, she proceeded to make herself most disagreeable.

"The way in which Americans are fitting out Russian privateers," she declaimed, "is outrageous."

"Madam," I replied, "it is my business to keep informed about merchant and war vessels, and I assure you that the reports you have heard are absolutely untrue."

"It is perfectly disgusting," she went on, skilfully shifting to surer ground, "the way the Americans are spoiling our watering places by their flashy extravagance and ridiculous fees to servants. I always avoid the society of Americans whenever it is possible."

Whereat I exclaimed, "Madam, you astonish me. I thought I was addressing an American."

She became furious.

"Do you think the gentleman with whom you have been talking is an American?" she cried.

"No," I replied, "when he opened a conversation with me I at once recognized an educated English gentleman."

"But why then, do you take me for an American?"

"If you will permit it," I replied, "I shall answer by telling you what happened to me when I got off a steamer at North Wall, Dublin. As you know, there is always a crush of hackmen barking for fares. One of them called out to me, 'Right up Broadway, sir!' Choosing him, I asked as I stepped into the cab: 'Why do you take me for an American? All the clothes I have on are English-made. I am wearing an English hat, my luggage is English, and I have an English umbrella and cane. How in the world did you know that I was an American?'

"'By your illigant manner, of course,' he replied."

I heard nothing more from the American-baiter, and



when the dinner was almost ended, two Englishmen at the table, without referring to the incident, asked me if I would go with them that evening to the opera!

In 1892 Charles R. Miller, the able editor of the *New York Times*, came to me, and said: "I am going to lose the position I have held most of my life. The *Times* is going to become a sensational newspaper. I have raised \$500,000 to buy it, but I need half-a-million more."

"Put me down for \$50,000," I answered.

Some time later, Mr. Miller came back to me to ask me to raise the needed balance of \$300,000. It is always hard to raise money to finance a publication, but I undertook the job.

A number of prominent men subscribed, and the amount was promptly raised. A recent acquaintance of mine, had an ambition to own a share in a metropolitan newspaper, and he subscribed for \$50,000 but defaulted on his second payment. The Times Publishing Co. which then owned his subscription, took action to force him to meet the defaulted payment. Shortly after this action was instituted an article appeared in the *New York Evening Post* accusing me of watering the stock of the *Times*, so I immediately commenced suit against the *Post* for \$250,000 for libel.

At a dinner given by Chauncey Depew at his home, at which Cornelius Vanderbilt, Samuel Sloane, and others were present, I told Mr. Sloane of the suit I had commenced against the *Post*.

He observed: "While I think you were right to com-

mence the suit, I don't think a man in your position should push it to the point of securing money damages, but you certainly should push it to the point where you can get a complete retraction."

The law's delays dragged the matter along until I found myself on a steamer bound for Europe. Aboard the same ship was E. L. Godkin, the Editor of the *Post*, as well as my friend and lawyer, Mr. Julian T. Davies.

I told Mr. Davies of the suit which had been brought by Einstein & Townsend, the lawyers of the New York Times Publishing Co., and said that I did not want money but I thought that as we had oceans of time we might find some amusement in dealing with this case. Mr. Davies spent much time with Mr. Godkin, and after a few days of upper-deck intimacy, I walked by them:

"There is Flint," remarked Godkin. "He is suing us for a quarter of a million, but we don't regard the case as serious. He can't prove damages."

"Don't be too sure of that," answered Davies. "Was the article published abroad?"

"Yes, I think it was."

"Then the case is very serious," continued Davies solemnly. "Flint has about three thousand correspondents all over the world, and only a small percentage of them have ever met him. I will get the list of them; he must have one with him. If the confidence of many of them should be shaken, the damage he claims would be small as compared with the real damage."

"You must try to settle this at once, Mr. Davies," was Godkin's alarmed reply.

"I am Flint's lawyer but I shall do my best," rejoined Davies dryly.

The result was that when the case was called, counsel for the *Post* read in open court an apology which contained in addition an exaggerated account of my virtues and no mention of my sins. And the *Post* printed this apology in full on the front page. The next day the *Sun* broke out with a story under the amiable heading: LARRY A CONFESSED LIAR. I do not recall any other libel suit that ended quite so delightfully.

Under the able business administration of Mr. Adolph Ochs and the highly intelligent services of its Editor, Mr. Charles R. Miller, the *Times* gave for some years to the people of New York what every metropolitan managing editor of importance told me could not be produced at a profit: a serious newspaper for one cent per copy!

## CHAPTER XIX

### CHINA

CHINA has always sent to us as ministers men who were not only able, but clever as well—men who could hold their own in any country. But probably the ablest of all the Chinese who ever visited this country came as a political refugee.

The story of His Excellency, Kang Yu Wei, who is known as the Modern Sage of China—and is thus recognized by his own people as well as by foreigners—who exerts a powerful influence with the Chinese abroad, and who was almost the unofficial Emperor of China, has never been told. He is a highly cultured man of position who devised a splendid plan for a Chinese educational system and other developments—a plan which, had it been put in force, would have given us a different China today. His ideas were accepted and about to be put into execution. But they involved a change from memorizing the Chinese classics to a more practical education, and this antagonized the gentry class, finally resulting in the overthrow of the Emperor Kwang Su and the ascendancy of the fierce old Empress Dowager, who was the special guardian of privilege and the ancient régime. She lost no time in



TO MY OLD FRIEND HON. CHAS. R. FLINT  
WITH KINDEST REGARDS OF Kang Yuwei  
MAY 1, 1923.  
SHANGHAI,  
CHINA.

"China, as a nation, has enjoyed five thousand years of civilization. So long as she was isolated, she was capable of meeting and solving her own problems; but now that she finds herself in contact and competition with the modern world, she discovers that she is behind the times.

"For the sake of awakening China, I jeopardized and sacrificed everything in leading the Reform Movement with my Emperor in 1898, but, unfortunately, I was defeated by the Reactionary Party.

"However, China must ultimately progress along the lines laid down in the edicts which I prepared for the Emperor Kwang Su, and that she has already taken her part in world problems was demonstrated at the Washington Conference."





ordering the arrest of Kang Yu Wei; but Kang, who always had about him a kind of secret service, escaped to Tientsin where he fortunately missed the Chinese steamer. If he had caught it he would have been beheaded. He boarded a British steamer and the captain of it protected him. The British government knew him as a great scholar and asked the Consul General of Canton to guard him from danger. The Empress Dowager beheaded his brother, Kang Kwong Yen, and his principal followers, and put a price of \$300,000 on Kang Yu Wei's head. And until the death of the Empress, Kang went about the world working for the cause of China, knowing that a fortune and probably high honors awaited the man who killed him. Several attempts were made on his life. He never mentioned to me that there was a price on his head, but at night a faithful servant slept at the door of his room. He was a figure out of a novel—an Oriental of commanding presence and fortune. It takes a good deal of a man to keep about him followers who cannot be tempted by riches.

Chinamen in official circles could not receive him, but the edicts which he wrote for the Emperor Kwang Su brought about the awakening of China, and he is the recognized head of nearly every Chinese society outside of his native land. He is the idol of the people. When I called on him a short time after his birthday he showed me a large number of gold tablets, which he had received from Chinese societies throughout the world, congratulating him on his birthday and wishing him long life. He bought an island near Stockholm, where he resided, an estate in

Penang, and asked me to offer \$240,000 for an estate on Long Island. He and I had many meetings; when I first knew him he could not speak English, but his daughter, now the wife of Lo Chong, ex-Chinese Consul-General in London, now Consul-General at Singapore, acted as interpreter, and we got on famously. Mrs. Lo Chong was recently the representative of China at the International Women's Conference of Europe. Kang Yu Wei discussed with me the possibility of his talking with President Diaz of Mexico, concerning the admission of coolies to develop Mexico. He stood ready to finance the undertaking.

During our many discussions I must have asked very many questions of Kang Yu Wei, some of them quite personal, and his daughter repeated all but one of them to him. While we were discussing Mexico, I asked: "Can your father wield sufficient influence to bring about the emigration of so many coolies?"

"The question is not *can*," she flashed, "it is *will* he."

And that was the end of that question.

Just what he did I do not know; his actions were inscrutable. I imagine that he was working in China as well as in other countries; I know he had many reports and visitors each day. But he never seemed busy. Some time afterward, when he was in Penang, he cabled me that a plot existed to kill the Emperor Kwang Su and begged me to use my good offices with the President and the Czar of Russia to prevent it. I sent a copy of the cable to Washington and to St. Petersburg. Ten days later the official news of the Emperor's death was received. It was re-

ported that the Emperor's physician had been paid a large amount of money to administer a slow poison. Behind the delightful simplicity of the Oriental are certain complexities of character!

Two other interesting Chinese visitors to this country were Prince Tsai Tao and Lord Li, the latter the son of Li Hung Chang. I met them at a luncheon at the residence of Charles M. Schwab on Riverside Drive, to which also came John D. Rockefeller, Jr. I presented Mr. Rockefeller to His Imperial Highness, Prince Tsai Tao and to Lord Li. The Prince did not speak English, and Lord Li spoke to Mr. Rockefeller.

"I am pleased indeed to meet you," he said, "I have heard much of your father."

"I am glad to meet you," replied Mr. Rockefeller, feelingly, without noting that he was acting as a proxy, "I have heard much of your father."

And both were happy in reflected light.

Lord Li is now one of the important business men of Shanghai, but he did not take any office under the Republic because of his loyalty to the Emperor.

When Prince Pu Lun, a Manchu, making the Grand Tour—a rare undertaking for a Chinese—was in New York, he expressed a desire to see something of the harbor. I took him for a trip around the Sound and up the Hudson, on board my steam yacht *Arrow*, which, it will be recalled, was the fastest yacht in the world. His Highness was accompanied by Commissioner Wang and members of his suite; my guests included Chauncey M. Depew, Judge John Bassett Moore, and John Brisbane Walker.

The Prince was very much impressed by the skyline of New York as we steamed around the city and down the bay. On being asked to write in the log book, he said he would like to read what had been written in it by others, and his attention was called to the following, signed by Frank A. Munsey:

"To a New England Boy. The New England boy is born with two great overshadowing purposes in life—purposes that are his whole life from the cradle to the grave: getting on in the world, and getting into Heaven."

The Prince, as well as the rest of the company, was much interested in this statement of the great publicist; but Senator Depew, with a twinkle in his eye, wrote under it:

"But the methods of the one close the door to the other."

His Imperial Highness wrote in Chinese the text of a poem by the Chinese poet Li Po, composed fifteen hundred years ago, when he sailed through the Yangste Gorges.

John Brisbane Walker wrote:

"Passing along the Sound this beautiful afternoon in company with distinguished Chinese, I am reminded, as we pass the many lighthouses, that the literature of China was produced in quiet places. Does not this suggest that it was a mistake on the part of our government to make Ministers Plenipotentiary of our literary men? Would it not be better to give them posts in the sequestered lighthouses? Would they not, instead of curbing their fancies at the overloaded tables of England and France, then give us a literature worth while?"





Sir Chentung Leung Cheng    The Author    Dr. Depew  
telling his choicest story to His Excellency



Judge John Bassett Moore smiles, the Chinese Minister is convulsed  
with laughter. and Depew looks triumphant



Prince Pu Lun is now regarded as the first citizen of Peking and is a prominent doctor of letters.

In the "Thieves Market" at Petrograd I stumbled across, and bought, the private seal of the Empress Dowager. How it got there I cannot imagine. I wrote to Prince Pu Lun that I would be glad to restore the seal to Her Majesty. But I never heard from him: the Empress was none too amiable, and I imagine that the Prince did not dare to let her know that he knew where the seal was.

Behind the visits of all these Orientals lurked a hope of somehow lessening the rigors of the Exclusion Act. In an address which Dr. Wu Ting Fang, Chinese Minister to the United States, made at the University of Pennsylvania—which had conferred on him the degree of LL.D.—the distinguished diplomat took up, among other things, the disagreeable features of the act—which is of course a very sore point with the Chinese. He had a rare gift of being able to discourse fluently on the weak points of oriental civilization, and then quickly, but with the utmost ingenuousness, expose an occidental weakness. I recall that in his address he spoke mournfully about the Chinese system of binding the feet of women. He told how it arose, how widespread it had become, and what a terrible blot it was upon the otherwise fair character of China. He asked that the women in the audience sympathize with the poor, unfortunate women of China, and as he finished he added, half musingly: "I wonder if it is more harmful than wearing corsets"?

A committee called on Dr. Wu to request him to address a society connected with one of the fashionable churches

of Washington. Casual mention was made of the fact that the youthful pastor of the church had recently resigned to enter upon a new field of labor on the Pacific Coast.

"Why did he resign?" asked Dr. Wu.

"Because he had received a call to another church," was the reply.

"What salary did you pay him?"

"Four thousand dollars."

"What is his present salary?"

"Eight thousand dollars."

"Ah," remarked the disciple of Confucius. "A very loud call."

China had just conferred on me the order of the Double Dragon, and I was on the card to follow Wu's address. I then made a point which I have not before or since heard advocated, but which I think is still pertinent. In my address I said:

"Instead of the Chinese coming to the United States, if China would make it an inducement for our industrial leaders to go to China it would be a powerful addition to her political, as well as to her industrial strength.

"But his countrymen may say to him, as he has said to us tonight: 'The Chinese Exclusion Act remains on your statute books.' I admit that subordinate officials have not always shown the consideration due to Chinese scholars and merchants landing on our shores, but this has been corrected. As to the wisdom or unwisdom of a free intermingling of the yellow and white races, I can add nothing to what has already been said. That is a question for the sociologists to expound. But, as a prac-

tical man of business, I can point out the best economic method of giving the Chinese the greatest benefit of our advanced industrial systems.

“Instead of a large number of Chinese coming to the United States, the sound economic policy—and it can be made effective at once—is for the Chinese to induce American brains and money to take an important part in the development of their unlimited resources. For example, if 3,000,000 Chinese came to the United States, it would cost at least \$200 to cross the Pacific Ocean, establish themselves, and return—say \$600,000,000.

“If concessions were given to our industrial leaders of demonstrated capacity, and the methods were adopted under which the United States has made the greatest industrial progress in the history of the world, the Chinese would receive, in a larger market for their agricultural and other products, in charges for transportation and in increased wages, over five times what the 3,000,000 Chinese could save from their wages in this country.

“Minister Wu has studied our industrial progress and with positive personal knowledge can assure his countrymen that we have captains of industry capable of making that statement good.”

I invited some of our industrial magnates to dine at my home that they might meet His Excellency, Wu Ting Fang. They found him among the cleverest and most charming of men. He spoke English exceedingly well—so well that he was able, when occasion demanded, to simulate a man knowing little English. Among the guests was E. H. Harriman. His Excellency, in order to pave the way to asking a great number of questions he had on his mind, himself offered to answer any questions asked con-



cerning China, an offer which I announced on proposing His Excellency's health. E. H. Harriman, also a human questionnaire, began greedily. He snapped out six questions, all of which Wu Ting Fang answered.

The seventh was a question that should not have been asked, as Mr. Harriman very well knew, for it touched upon state secrets which the Minister could not reveal. It was an awkward moment. Wu had promised to answer any questions. How could he save his face? I expected Wu to welch on his offer to answer. Not a bit of it. Turning quickly, he said: "Mr. Harriman, you have asked me six questions and I have answered every one of them. I ask you only one question."

"What is that?" said Harriman.

"It is said that you control 50,000 miles of railroad. How did you get it and how do you keep it?"

In the roar of laughter, the Harriman question was forgotten. And, also, it may be mentioned that Mr. Harriman forgot to answer the question put to him!

Wu came to our family Christmas dinner that year. He appeared in a very handsome Chinese costume that deeply impressed all but the children. To them it seemed to suggest a masquerade. He was a delightful dinner guest, always interesting, always urbane; but in eating he was rather a spectator than a participant, for at that particular period his diet consisted solely of nuts.

The attitude of the Chinese has been more friendly to the United States than to any other country: they have never forgotten the remission of the Boxer indemnity. They sent Ambassador Tong Shoa Yi on a special mission



Prince Pu Lun



Prince Tsai Tao



Wa Ching Fung

Yours very truly,  
 W. H. Linnaman  
 To Chas. R. Flint, Esq.,  
 Bond-Exchange,  
 New York.



to Washington to thank the United States for its liberality in the interest of Chinese education. I have never met a more impressive official—dignified, elegant, possessing the first order of ability. One of his sons-in-law is now Minister of Foreign Affairs, the other is Minister to the United States. He accepted my invitation to meet at my home at dinner men of prominence in our business and financial center, but on the death of the Empress Dowager His Excellency went into mourning and he returned to China via Europe.

It is not generally known that China delayed entering the Great War for two months so as to be able to act as a neutral in the purchase of certain warships from other neutrals; and those ships would have been bought had it not been for inexplicable delays in Washington. After China had secured warships as a neutral she would have joined the Allies—which would have added two fleets of modern war vessels to the naval Allied power.

## CHAPTER XX

### BECOMING THE FATHER OF TRUSTS

EMERSON insists that all things come from within; but some things come from without, unsolicited. The title "The Father of Trusts" was bestowed upon me by the Chicago newspapers. During the McKinley-Bryan campaign of 1900, Mark Hanna, who was too able a politician to permit the trust problem to become an issue, asked me to defend industrial consolidations from a non-partisan platform at the annual banquet of the Illinois Manufacturers Association. The next morning the newspapers printed my picture with the title "The Father of Trusts"; and beneath this was published the definition with which I had commenced my speech: "A combination of labor is a trades union, a combination of intelligence a university, a combination of money a bank—a combination of labor, intelligence and money is an industrial consolidation—Work, Brains, and Money."

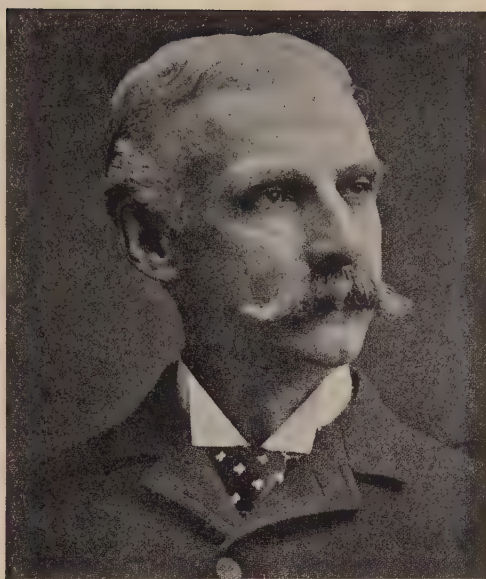
McKinley ordered 500,000 copies of that speech to be distributed throughout the United States.

In the seventies, John D. Rockefeller did pioneer work in applying advanced ideas to the formation of a huge organization for the refining, shipping, and distribution of crude oil and its products; and in 1882 the Standard Oil





Mark Hanna



Henry B. Hyde



Leopold II. King of Belgium



Company was incorporated, marking a great stride in industrial progress. But Mr. Rockefeller's activities were limited to oil, and it was not until years later that industrial consolidations were generally formed in other lines of manufacture.

Even as early as 1880 I had made substantial progress in endeavoring to form an industrial consolidation of the first magnitude, which I shall describe; and in 1891 I had delivered before the Commercial Club of Providence the first speech, generally published, that advocated the formation of industrial consolidations on the ground that they were a public benefit. Since that time, in many publications, I have consistently advocated such consolidations as a most essential factor in economic development. The views that I expressed in those early days have been adopted in the United States, and, since the World War, on a greatly enlarged scale in France, Germany, Italy, and England.

From 1872 to 1879 I was active as a merchant, and came into intimate relations with many manufacturers, as I was the largest buyer in this country of miscellaneous manufactured products for export.

Owing to reductions in commission rates—due to improved transportation and banking facilities, quick communication by steamers and cables, and intense competition—commission merchants became *principals* and, finally, intense competition as principals forced them to become *speculators*. To meet this situation, I formed a combination of men of the best available experience, intelligence and influence in the crude rubber business,

this being my first experience in allying different interests under a plan of coöperation. Steady profits and the elimination of speculation were among the happy results of this combination; but coöperation in merchandizing tended to what would now be judged in restraint of trade.

Although I had had an extensive experience as a merchant, I was unknown as an officer or director in any incorporated company and had no intimate association with prominent financiers until 1879. While I was purchasing munitions for Peru, I had become intimate with Marcellus Hartley, who owned the Union Metallic Cartridge Company, and who left a fortune of many millions. He was heavily interested in the United States Electric Lighting Company, and through him I was given an opportunity to buy a block of this stock at a concession, and was offered the presidency of the Company, which I accepted. The corporation contained many noted men; the vice-presidents were Marcellus Hartley, Anson Phelps Stokes, and Henry B. Hyde, the founder of the Equitable Life Assurance Society, who told me that in his opinion electrical development offered greater opportunities for profit than life insurance. There were also in the Company Robert B. Minturn, D. Willis James and Frederick Olcott. I felt proud to be associated with these great leaders in finance and industry, and these associations put me in the big business class.

I concentrated on electrical development. I made the most of our incandescent light by showing it in our office in the Equitable Building. I had a wire run from our laboratory to my apartment, and displayed the first in-

candescent light in use in a New York residence. I put the bulb in a large globe which held American Beauty roses with gold fish swimming around their stems and around the electric light. The occasion of this display was a social event.

I installed the second incandescent light in New York in the Madison Avenue residence of Professor Henry Draper who was the first man to photograph the moon. He and Mrs. Draper gave a reception in order that people might see this wonderful light that could not be blown out and which did not consume the oxygen of the air.

The United States Electric Lighting Co. was a great company, but I discovered, soon after becoming its president, that, although the Company had a genius inventor in Hiram Maxim, whose great ambition was to beat Edison, we were helpless without a marketable lighting system. After much delay I told Maxim that he reminded me of Bulwer Lytton's definition of a "genius" as "a man who could do something that nobody else could do that is good for nothing."

After stating to the directors the results of my investigation, all the capital stock of the Company was put in trust so that it could not be sold until the Company demonstrated its capacity to earn dividends.

I then realized the importance of securing a complete lighting system. In order to do this intelligently, it was necessary to know the state of the electrical science, knowledge difficult to ascertain, as it was still in a formative stage, our patent position was not clear, and we had no record of commercial accomplishment. It was there-



fore of vital importance that we should secure the entire time of an able patent lawyer. I finally induced Leonard E. Curtis to become general counsel of the Company. He combined good judgment with industry, and around him our whole patent litigation was centered during sixteen years. Realizing that the situation needed the ablest patent lawyers, we contracted for the entire services of Parker W. Page, an electrical examiner in the Patent Office. We then retained as counsel, Benjamin Thurston, of Providence, the head of the Patent Bar; Chauncey Smith of Boston; Frederick H. Betts; General Samuel A. Duncan; Edmund Wetmore; Wheeler H. Peckham of New York; George Harding of Philadelphia, and a considerable number of counsel not so distinguished. We secured the services of the ablest electrical experts: Dr. Henry Morton, President of Stevens Institute; Professor Cross of the Massachusetts Institute of Technology; Prof. Brackett of Princeton; Frank L. Pope; Henry Brevoort Renwick; and Moses G. Farmer, who for fifty years kept a diary of electrical experiments, and who had carried passengers for pay on an electric railroad as early as 1847. We discovered a model of an electrical railway constructed by Dr. Colton (the dentist who introduced laughing gas), which was very useful as it completely anticipated a claim on a suit which was brought against us, which would have controlled the whole trolley system, had it been sustained.

In obtaining a lighting system for the United States Electric Lighting Co., I started with the best legal and technical advice, and I became generally familiar with the

status of electric lighting and power and its business exploitation. I felt it urgent to put the United States Electric Lighting Co. on the map commercially. For this a complete lighting system was absolutely necessary, so I decided first to try and consolidate with the Brush Co. that had one. Brush had been an employee of Frank Wetherbee, and the latter arranged for Brush to invite me to Cleveland. We both partook generously of "sweet talk" in the evening, but the next morning at his office Brush expressed his real opinion of the situation when he said, quite truly, that we "had no lights except financial lights and that they wouldn't burn; but if we had a complete electric lighting system, like that of the Weston Company, he would consider consolidation." I made for the train, not even taking time to pick up my bag at the hotel, and wired Weston and his president to meet me at Delmonico's.

Weston himself was not over keen about consolidation, but I suggested to him that his company was not taking the fullest advantage of his genius, to which he immediately agreed. Inventors almost always rise to that fly. After a good dinner, I went with him to the office of the company at Newark, where I spent most of the night in investigation. The next morning agreements were executed, the cash was paid—Hartley putting up half—and our control of the Weston Electric Light Company was assured. We immediately turned it over at cost to the U. S. Electric Lighting Company, which then, for the first time, came into possession of a marketable lighting system.

It was fortunate that I acted so promptly in obtaining the Weston Company. At the time I fully realized the importance of securing it, but I did not know how close I had come to losing it until ten years later, when I was a guest of the City of Cleveland, and Brush was on the Reception Committee. Brush took me to his impressive residence on Euclid Avenue, and in talking over the advent of electric lighting he told me that his company had been on the point of buying the Weston Company, and that I had beaten them to the purchase by only two days. Brush said that he was reminded of the parrot who worried a fox terrier by calling out his name and whistling when the dog was not looking. The dog became very much irritated, finally spied the bird, and denuded him of many feathers. When the parrot, much ruffled, regained his perch, he called out (his owner having taught him the sentence) "I talked too damned much." Brush remarked, incidentally, that, since this incident, when he had wanted anything he had not told a possible buyer that it was a good thing to acquire. In the meantime we had defeated Brush in a long litigation on his arc-light patents, in which his claims were held to be invalid.

After acquiring the services of Edward Weston, I made up my mind that Maxim would be a disturbing element. I suggested that if he would take a steamer to Europe within thirty days, I would bring to the attention of the French Government his qualifications for the Legion of Honor, and that if these were not recognized within six months I would give him \$10,000. He found the suggestion an agreeable one, sailed in due season, and within a

few months the French, recognizing his genius, had conferred upon him the Legion of Honor.

The era of electrical development, which has since resulted in electric lighting and power, the telephone and wireless telegraphy, was just getting under way. Prof. Moses G. Farmer said to me, "During the fifty years that I have kept a diary of electrical discoveries and inventions, I have said that electric development had well-defined limitations. Since the discovery of electric lighting I have made up my mind never to say that there is any limitation to what can be accomplished in the field of electrical development."

The electric light business was making progress. Thomas Edison had brought out the incandescent light, and was getting ready to manufacture it at Menlo Park. Charles Francis Brush had put the Brush Electric Company of Cleveland on a sound basis, Edward Weston an able electrician was making decided progress in the field, as were Elihu Thomson, and Professor Houston of Philadelphia. There were other pioneers—Sawyer & Man, Sprague, Vanderpoel, and Field.

At this point, being in possession of all the facts, I clearly envisaged the possibility of bringing about a great electrical consolidation which would include light and power. I realized that if such a consolidation were not formed many millions of dollars would be lost as a result of patent litigation, wasted efforts, duplication of disbursements, and lack of standardization in manufacture.

At this stage I arrived at the fork of two roads, one of which, in the light of forty-three years experience, I feel



would have led to success,—the other was the road to failure. I had had no experience in forming large industrial consolidations—no one else had—and I took the wrong road. The right way would have been to give the general idea of consolidation to a *disinterested intermediary*, who as a neutral would have commanded the confidence of the manufacturers, and who would have secured all of the facts necessary to formulate a plan. As a disinterested neutral he would have been able to establish intimate relations with each manufacturer and secure his acceptance of the plan.

I had many conferences with Curtis regarding the proposed consolidation and he—as constructive as he was destructive to adversaries in patent litigation—told me of the “Gramme” patent, a somewhat hazy, comprehensive, blanket affair, not unlike the famous Selden patent which was used to bring together the automobile manufacturers. The “Gramme” patent was available. I succeeded in securing the Jablokoff patents for the United States. I contracted for the services of Elihu Thomson and Professor Houston for five years with an option of five more, subject to our getting control of the company which owned their inventions. We did not bid high enough for this company, and the control was purchased by Brush. The Brush Company, apparently considering it not worth much, sold it to a syndicate of shoe manufacturers at Lynn, of which Mr. Charles A. Coffin was the principal member. We regarded these new entrants into the business with much amusement, and referred to them as the “Lynn shoemakers.” We never dreamed that Mr.



Coffin was destined to become the most commanding figure in the world of electrical business.

I succeeded in gathering around one table in my office, Eaton of the Edison Company, Brush, Weston, Thomson, and Houston. I was there not only as president of the U. S. Electric Lighting Company, but also in the rôle of consolidator which should have been occupied by a disinterested neutral. I thought that I was making great progress, when in reality I was creating conditions that made it impossible for me to turn back and get on the right road.

As I couldn't turn back, there was no other course open to me but to continue my negotiations with the handicap of being an interested party. Here let me say that I have known of a few cases when men have succeeded despite this handicap. E. C. Converse, under similar conditions, was successful in forming the National Tube Company, in which syndicate I had an interest; but, in reviewing the consolidation of industrials a few months before his death, he fully agreed with me that an experienced disinterested neutral is generally necessary to bring about a consolidation, and that the very few exceptions only prove the rule.

Edison, much more frank than most men, talked to me in a way that gives a good general idea of the attitude of a manufacturer towards a competitor who is trying to bring about a consolidation.

"Flint," he said, "if you wanted to sail your yacht *Gracie* from New York to Newport and make the best possible time, you wouldn't hitch an old scow on behind and tow it, would you?"

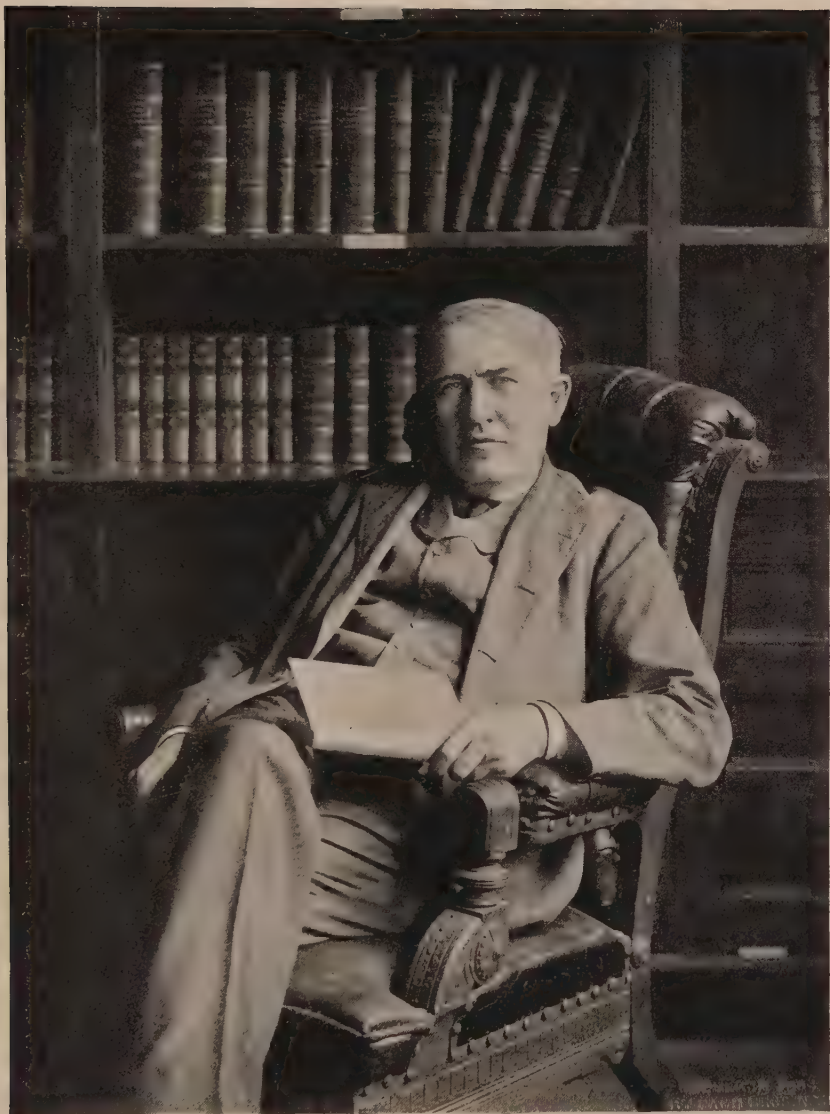
"Of course not," I replied.

"That," he said, "is just the way we feel about your company."

I am satisfied that a neutral could have induced Edison to join the proposed consolidation. In answer to Edison's final decision to me as a competitor—"I will not merge my prestige as an electrician with that of any other"—a neutral could have offered to name the consolidation the "Edison Corporation." But had I made that suggestion it would have been interpreted as an evidence of great weakness.

As a result of my failure to bring about an electric consolidation, a long and expensive legal battle followed. We smashed the Brush patents. Edison then endeavored to control the art, and attempted to swamp the United States Electric Lighting Company with litigation, bringing in one day one hundred and fifty law suits against it; but Curtis was ready for every assault and did not even ask time for filing answers. After sixteen years litigation, neither the United States Electric Lighting Company nor any of its affiliated or subsidiary companies ever paid a dollar of damages or costs, nor had it been prevented from making anything that it had found desirable to manufacture. The highest court, after a long, hard battle, decided in effect that Edison was not the inventor, broadly, of the carbon filament lamp. The cost of the patent litigation referred to aggregated over \$2,000,000.

When I found that an electric light and power consolidation could not be formed, I resigned as president of the United States Electric Lighting Company, which com-



To Charles R. Flint  
Thomas A. Edison



bined with the Westinghouse Company, thus centralizing the highest mechanical skill with a strong patent position.

Edison harbored no hard feelings following our legal battles. Years later, when he was working on a process to treat iron ores by electricity, he marched into my office, put his derby hat on my head, and stepping back, said, "That's an exact fit. I want to do business with you."

After my failure to bring about the electric light and power consolidation, I made up my mind that I would profit by my experience and endeavor to bring about a consolidation of some of my crude rubber customers, the manufacturers of rubber boots and shoes.

The makers of these articles were in intense competition. Some of them, in order to survive, were turning out goods of attractive appearance but inferior quality. I told them that there was only one way to settle their industrial wars, and that this was for them to have an absolute identity of interest.

They had previously arranged association dinners in the general interest of the industry, and under the influence of victuals and drink harmony prevailed. Finally Leagues of Peace had been formed to stabilize prices. Every one gave his *general* approval, but some of them couldn't be seen for dust in their hurry to accomplish the *specific* act of securing orders.

Price agreements were finally legislated against as contrary to public policy. At that time, the evils of extreme competition were so serious, and the economic advantages to be realized by consolidation were so great,



that the idea of the formation of a rubber shoe consolidation came about as a natural evolution, although it was delayed for years, as the manufacturers tried to bring it about themselves.

The rubber shoe manufacturers were as ignorant as to the best way to effect a consolidation as I had been in my attempt to consolidate the electric light and power interests, and they made the same mistake that I had made. They, however, showed great patience and industry in their efforts to consolidate and at last they felt that they were on the eve of success. They met every fortnight for several months, working out the details of a consolidation. The result, was, as is usual in such cases, that they finally agreed to disagree.

At last, in 1892, several of the rubber manufacturers interviewed me, and I conferred with them separately. I told them that, if they would leave me free to bring about the consolidation, I was satisfied that I could do so within sixty days, but that I would not attempt it unless they would agree not to discuss consolidation with one another. To this they consented. Although I was not successful in dealing with the two most important companies—the Boston Rubber Shoe Company, controlled by E. S. Converse, and the Woonsocket Rubber Company, controlled by Joseph Banigan,—I was successful in bringing about the formation of the United States Rubber Company. This consolidation was very much larger than either of the two individual companies above mentioned and it ultimately absorbed them both.

I did not go to see the manufacturers. They saw me.

They gave me their detailed statements which I treated as confidential. Then I drew up a plan for the consolidation.

I took options from the majority of the shareholders in each individual manufacturing company, in which options the other manufacturing companies which we expected would form part of the consolidation were not named. Instead, I provided that the options would not become operative unless the consolidation started with tangible assets to the amount of \$12,000,000, so that the parties giving options fully understood that the consolidation must include important manufacturers, as tangible assets of this amount would not have been possible unless some of the large companies were included. Under this plan no manufacturing company was absolutely necessary, which materially facilitated the negotiations.

No industrial consolidation including a considerable number of important manufacturers had been brought about up to that time, and pioneering in the securing of options was difficult. I provided in the options that the tangible assets would be appraised by the president of the Arkwright Club of Boston, the president of the Chamber of Commerce of New York, and the president of the Chase National Bank, who had been Comptroller of the Currency,—which sounded good to the manufacturers. Instead of dummy original directors, I secured men of importance, including J. Edward Simmons, who at different times was president of the New York Stock Exchange, New York Chamber of Commerce, and the Fourth National Bank; John I. Waterbury, president of the

Manhattan Trust Company; Robert M. Galloway, president of the Merchants National Bank, and Colonel William Barbour.

In 1906 owing to the increased consumption of rubber and the consequent high prices, Samuel P. Colt, President of the United States Rubber Company, asked me to negotiate for the entire output of crude rubber from the Belgian Congo.

Thomas Walsh, the mine owner, who had business and personal relations with the King of Belgium, cabled His Majesty suggesting that he invite me to Brussels. I soon received a telegram from the King's equerry naming a date when Leopold II. would grant me an audience.

He received me at his Laerken palace. The King sat in a great chair fronting a great desk. He courteously invited me to be seated and began, in perfect English, a cordial conversation.

It may have been that he expected me eventually to pay him money, and the expected recipient of money is usually courteous—be he of royal or other blood. When we commenced to discuss the rubber business in detail I asked if I might make notes. The King suggested that I take his seat at the table and when he commenced to stand up I thought he would never stop, he was so tall—six feet, eight inches. I felt at ease in negotiation, but respectfully declined to sit on what was about as impressive as a throne. It seemed too much like a part of the Eiffel Tower.

The King never gained a reputation for being a pro-

ponent of the Blue Laws or anything of that sort, and the so-called "Congo atrocities" did not elevate him in the world's esteem, but I imagine that his reputation, perhaps, got a little ahead of the facts. I can judge him only from my personal contact with him and have no data on which to base an authoritative report concerning his habits. But I feel a good deal about him as he did about himself.

Once when he had been in Paris he had got into the newspapers quite a bit—so much so that when he returned to Brussels an ecclesiastical dignitary told him that from all the reports he had heard the King was not setting the best possible example to the youth of Belgium. The King, so the story goes, heard the Bishop out and then replied sorrowfully: "Bishop, I have heard the same things about you but I never would believe them."

On the occasion of my interview with him, the King had his mind fairly well made up. He suggested with the utmost suavity that my principals should pay an amount equal to twenty times the annual income from the Congo rubber exports.

"Impossible," I answered flatly.

"Impossible?" repeated the King, flashing with a trace of irritation, for royalty is not accustomed to the flat negative. "Mr. Flint, in a complex situation only small men arrive at the impossible."

And then, shrewdly remembering that dignity would not bring ducats, he concluded with a fine sweep:

"But men of the first order of ability work out a solution, and we of course are in the latter class."

We talked and half argued for the better part of an hour.



The phrasing of his proposition shifted, but always, when stripped of phrasing, it came down to the same old proposition which I could not accept because it would have been unprofitable. At one point the King, thinking that perhaps I might change my views if only he gave me the opportunity—for it is often a good idea in bargaining to let the other man change an untenable position while pretending that you are changing your own position—asked somewhat meaningly:

“Do I make myself clearly understood in English?”

As I remarked before, he spoke perfect English.

If King Leopold could have sold the Congo rubber properties on the “impossible” basis which he proposed, it would have added to his reputation as an able man of business, as the price would have amounted to \$15,000,000 more than these properties could be sold for now, or at any time after the development of rubber plantations in India.

On every occasion when I had the honor of an audience with King Leopold, even including the time when I called on him at the Hotel Bristol in Paris when he was selecting the latest fashion in hats for ladies, he looked every one of his eighty inches—a king. I congratulated him on his great success in business.

“Yes,” he said, “but my domestic affairs have not been so satisfactory.”

When I replied that with me it had been the reverse, he looked at me with a quizzical expression.

After I had organized the United States Rubber Company, nothing succeeding like success, August Belmont



asked me to endeavor to bring about a consolidation which would include the New York Belting & Packing Company, of which he was the paternal banker. To do that it was necessary for me to go West. I decided not to go unless I could start with the full confidence of all those interested in the New York Belting & Packing Company. I thought the best vote of confidence would be a full power of attorney in my favor, which I asked Belmont to give me. When it was executed, Belmont handed it to me with a "Thank God, that child's face is washed" sort of expression. To his surprise I immediately handed it back to him. With some irritation he asked: "Why do you hand the power of attorney back to me?"

"To possess it would prejudice me as a negotiator," I said. "If I wish to succeed I must be a *disinterested intermediary*."

I took the night train for Cleveland, accompanied by a member of the firm of Evarts, Southmayd & Choate, and an expert accountant. I spent all day at the Cleveland Rubber Works; then all night on a train to Chicago; then all day investigating the Chicago Rubber Works, and then with all interested parties I went to the Auditorium Annex Hotel. Having in hand the essential facts, I then undertook to "bell the cat." I negotiated until 2 A.M., all next day and most of the next night, then part of the next day.

At the Auditorium Annex the different parties had separate rooms. In organizing it is well not to bring the interested parties together until all have been brought into agreement; for otherwise, some kind of an argument is bound to start, and once an argument gets under way so

many ancient grudges pop out that the real purpose of the meeting is soon lost in a general disagreement. It is best to keep the different interests apart, confer with them separately, and hold a general meeting only when all have agreed, and, with an identity of interest are ready for a love feast. After two days and nights of negotiation in the hotel, I had brought into line everyone excepting McClymonds. He was Scotch and insisted on an extra \$100,000 which, if granted, would have satisfied him and dissatisfied all the others. No one knew this better than McClymonds, but considerable hope commonly lurks in the breast of a hold-out.

With matters still unsettled, we left Chicago for New York by way of Cleveland. McClymonds was going to get off there. When an hour from Cleveland we were no further along in our talk than we had been in Chicago. I had to name a final figure and, having in mind the advantage of humor in a strained situation, I said: "McClymonds, you remind me of that Scotchman who was attacked by a footpad on London Bridge. The footpad was getting the worst of the fight when he was joined by one of his fellows. But the two together were no match for the hardy Scot; then a third came running in and turned the battle. As the trio limped away, battered and forlorn, one of them held aloft the booty:

"‘A sixpence,’ he muttered. ‘He’d er killed us if it had been a shilling!’”

I then delivered my ultimatum, which McClymonds accepted. I had my lawyer with me, and there in the sleeping car the agreement was completed, and all signed

just a few moments before the train pulled into Cleveland.

No cash passed in that consolidation. The purchase price was paid in preferred and common stock. There was no appraiser, no certified public accountant. The contract, written on the train on a single sheet of paper, was complete and conclusive.

The American Woolen Company was organized in 1899. Mr. William M. Wood and his father-in-law, Mr. Frederick Ayer, who were very large holders of textile manufacturing properties, came to New York to discuss the forming of a woolen consolidation. They were men of vision, power and influence. The Guaranty Trust Co. acted as trustee. At that time it was relatively easy to obtain subscriptions for industrial consolidations. J. P. Morgan was among the first to sign, for a half-a-million dollars; and the consolidation was formed within fifteen days of the day that Mr. Wood came to New York.

I happened in at the Manhattan Trust Company when Mr. John I. Waterbury, its President, and Levi Mayer, the eminent lawyer of Chicago, were busy organizing the so-called "Whiskey Trust." They told me that an Irishman by the name of Col. Harvey, who was in the outside office, was urging them to organize a Chewing Gum Consolidation, and as they were very busy they would be everlastingly obliged to me if I would take him off their backs. Col. Harvey was sent for, and after we had been introduced I said that I should be glad to discuss with him the advisability of negotiating to consolidate the leading chewing gum manufacturers. He went with me from the Manhattan Trust Company to my office.

Colonel Harvey was the owner and editor of *The International Confectioner*, the leading paper in its field. He was highly regarded by all of the chewing gum manufacturers, and both of us were disinterested intermediaries. He brought the manufacturers to me one by one, and advised me when negotiating to chew their particular brand of gum. The manufacturers delivered to me confidential statements of their assets, liabilities, volume of sales, costs of production and distribution, and statements of annual net profits for five years.

The tangible assets of the six companies finally consolidated amounted to about \$500,000. The principal asset was trade marks. I capitalized the concern for \$3,000,000 preferred and \$6,000,000 common stock. This was looked upon as an inflated capitalization by those not familiar with the value of trade marks, but I have found in organizing industrials that trade marks when properly protected are quite as valuable as bricks, mortar, and machinery.

Dividends were paid regularly on the preferred shares, and for ten years the company paid dividends on its common shares at 18% per annum, and the common stock, which I gave to my clients as a bonus with the preferred, sold for a long period at from \$150 to \$200 per share.

I named the company the American Chiclé Company. This was a departure from my usual custom, as I generally suggested a name that was descriptive of the business; but about that time a cartoon had appeared in a metropolitan newspaper referring to me, in connection with a



proposed consolidation in the milk business, as "Flint the Milkman," and I decided in favor of the word Chicle so as not to be called "Chewing Gum Flint."

The good will of the American Chicle Company, on the basis of the marketability of its shares, deducting the value of its tangible assets, was about \$14,000,000, and represented 90% of the good will of the chewing gum business of the world, exclusive of companies which I later consolidated in the Sen Sen Chiclet Company, which was finally taken over by the American Chicle Company.

The wisest opinion given at the first meeting of the executive committee was that of "Doc" Beeman—as he was sometimes called by his friends. This was before the days of prohibition. When it was proposed to secure economies by reducing advertising, Beeman remarked: "I have a national reputation: my face is on every fence in the country, and it mustn't be taken off!"

To preserve the good will represented by the company's trade marks, which, as I have said, were worth \$14,000,000, was not difficult. It was simply necessary to increase the advertising and make good chewing gum; and there was an ample margin to permit the use of the best ingredients.

The management of the American Chicle Company was, on the whole, the worst of any industrial with which I have been familiar, considering the commanding position that it occupied when organized. Instead of paying 18% on \$6,000,000 of common stock annually, a dividend of 8% should have been sufficient, and 10% should have gone into advertising.



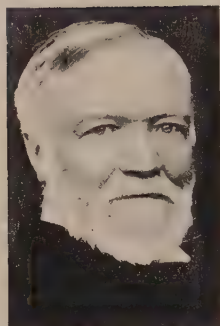
At the time of the organization of the American Chicle Company, and later when it bought the control of the Sen Sen Chiclet Company, it was the great chewing gum company of the world, and Wrigley was doing about 1% of the world's business. By not advertising, the American Chicle Company left the door wide open for Wrigley to enter. He seized the opportunity and strained every nerve to raise money and obtain credit for advertising. At an early period in his successful career, I saw one advertising contract, signed by him, for half-a-million dollars. The result has been that the American Chicle Company's business, including the output of the Sen Sen Chiclet Company, has been reduced to about 15% of the total chewing gum business of the world, whereas Wrigley's business has increased from 1% to over 50%.



Charles M. Schwab.



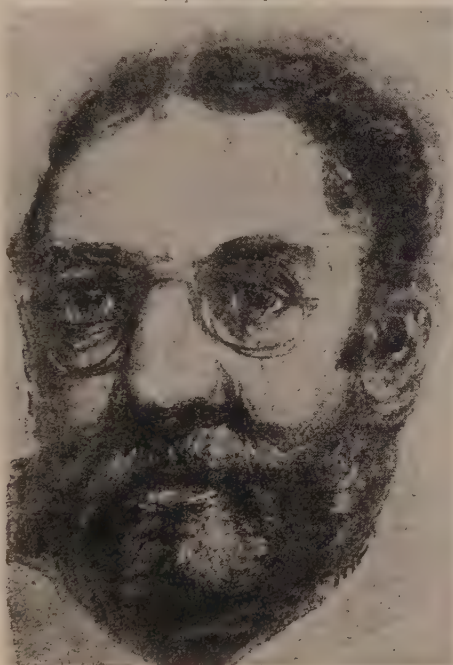
J. Pierpont Morgan.



Andrew Carnegie.



Wm. M. Rockefeller.



Composite Photograph of Industrial Organizers



Charles R. Flint



Henry C. Frick



August Belmont



John W. Gates

From  
La Revue  
Paris.

# Industrial Organizers as Seen Singly and in a Composite Photograph



## CHAPTER XXI

### INDUSTRIAL CONSOLIDATION

I HAVE noted some of the first attempts which were made at coöperation in merchandising, depending upon the creation of identities of interest. These early coöperative agreements tended to restraint of trade, and they have finally provoked prohibitive legislation. The great advantages to be derived from coöperation became apparent when manufacturing companies were consolidated to reduce the costs of production and distribution; but in the 80's Industrial Consolidation was still a theory, not a condition.

Now, in the light of thirty years' experience, during which time I have acted as organizer or industrial expert in the formation of twenty-four consolidations, let me review the general advantages of this form of industrial economy.

The most important benefit to be derived from it is the attainment of high-speed-automatic-machine-low-cost-standardized-quantity production, which makes possible the manufacture and maintenance of products of superior quality.

Because of the magnitude of their affairs, industrial consolidations are able to offer, in salaries and a percentage

of net profits generally over and above a previous maximum, a sufficient inducement to secure men of the first order of ability—men who are not tempted by a fixed salary, but by the incentive of making a record and profiting by it.

The consolidated corporation, under a system of comparative accounting and comparative administration, subdivides its business so that each of its various departments is headed by a man who, through long experience and concentration, operates at the highest efficiency. Furthermore, industrial consolidations are able not only to secure the best men as executives, administrators and employees, but also to retain men of the highest standing in the consultative professions,—lawyers, engineers, architects, chemists and other advisers and technicians. Thus better service is assured, with an overhead cost less than the aggregate amount which was paid to men of lesser capacity by the various constituent companies.

The consolidation not only adopts the best methods to be found in any of its various plants, but it improves them through continual experimentation by the ablest experts.

It reduces stocks of merchandise, thereby saving interest and carrying charges, and minimizing loss from depreciation.

It centralizes sales and advertising, and eliminates duplicate trade catalogues.

It centralizes purchases, and secures important benefits through quantity and time contracts.

It greatly reduces the volume of fixed and circulating capital per unit of output.



It retains lawyers and experts of experience and demonstrated ability for patent and trade-mark protection. By consolidation, inventive genius is less hampered by conflicting patents, and expensive litigation is largely eliminated.

It utilizes the advantages of a central traffic control, eliminating duplicate routes in the transportation of products sold and received, and locates factories with relation to labor, raw material and markets.

Throughout the country there are many examples of manufacturers who haul their raw material and fuel hundreds of miles to a factory, and then ship back to centers of consumption which are near the source of the raw material. Many factory locations have become obsolete as a result of changed conditions; they are often relics of ancient happenings. The whim of a poor Welsh shoemaker in colonial days fixed Lynn as a great shoe manufacturing center. A German's skill in knitting for his neighbors in the Pennsylvania German colony centered the stocking industry of America in Philadelphia. The cotton industries have been re-locating in the South, nearer to raw material and cheap labor; the shoe industry is re-locating in the West nearer to skins, hides, and the center of consumption.

Consolidation facilitates financing; the shareholders have greater security than they generally have in ownership of individual companies; their shares are available for loans, or convertible into cash, and are readily divisible for the disposal of part interests or for subdivision by will.

In 1911 I made a departure from the practice of bringing about consolidations in single industries by effecting a consolidation of allied interests, that is by consolidating the manufacturers of similar but not identical products. The Computing-Tabulating-Recording Co. is of this class; and although it is not the largest of the consolidations in which I have acted as organizer, it has been and is the most successful.

At the outset of this organization, I pointed out to the Guaranty Trust Co. that the proposed "allied consolidation," instead of being dependent for earnings upon a single industry, would own three separate and distinct lines of business, so that in normal times the interest and sinking funds on its bonds could be earned by any one of these independent lines, while in abnormal times the consolidation would have three chances instead of one to meet its obligations and pay dividends. On the several but not joint responsibility of my syndicate subscribers, the Guaranty Trust Co. loaned over \$4,000,000.

I have attended the fortnightly meetings of the executive and finance committee of the Computing-Tabulating-Recording Company for eight years, and have thus become familiar with the administration of a consolidation of allied interests. All the advantages of industrial consolidation which I have enumerated are secured by an allied consolidation, except that a centralization of the sales department cannot always be effected to the same extent as in the case of consolidated companies that manufacture a single product. But there are special advantages that can be realized by an allied consolidation.



Yours Very Truly  
Thos Watson.



As no one individual company is indispensable to its formation, it is easier to arrive at an equitable capitalization apportionment; and, as before stated, the allied consolidation has better chances of being able to earn dividends in periods of depression. It is, also, less liable to attack in any one branch of its business in normal times, as the other branches can continue to earn dividends.

The advantages to be realized by allied consolidations have been fully demonstrated by the Computing-Tabulating-Recording Company, under the leadership of its president, Thomas J. Watson. The Company started with an aggregate bonded indebtedness of \$6,500,000, three times its then net current assets. In addition to paying \$2,000,000 in Federal taxes, it has paid \$3,500,000 in dividends; has increased its working capital \$4,000,000; and has added \$5,000,000 to its surplus.

At a recent meeting of the board of directors of the Computing-Tabulating-Recording Co., President Watson reported that:

“The recent issue of 19,655 shares of stock has all been sold and paid for by the stockholders and employees of the company.

“Money thus secured enables the Company to clear its entire floating debt, except ordinary current bills for material, supplies, etc., and will leave the company with a cash balance of over \$1,000,000.

“The net earnings for the first five months, after providing for Federal taxes, are sufficient to take care of the full year's dividend of \$6 a share on the entire issue of 150,688 shares of capital stock outstanding.



"These earnings do not include \$500,000 received in the recent settlement of a judgment for the infringement of some of our patents."

Having written of industrial evolution from an economic viewpoint, I shall now write of individuals and classes who have been affected by it and of some of the men who have been active in its progress.

As one reviews the history of industrial evolution from the time when the food of the people in "Merrie England" was peas, black bread, and the bark of trees, it appears that, as manufacture and commerce developed, the masses who had been living in abject poverty were gradually and permanently benefited; but many of them stupidly opposed the introduction of labor-saving machinery. Their viewpoint was expressed by a French philosopher who wrote: "These machines which would render the manufacture more simple, or, in other words, diminish the number of workmen, would be pernicious."

"We smile at these things," wrote Macaulay. "It is not impossible that our descendants, when they read the history of the opposition offered by cupidity and prejudice to the improvements of the nineteenth century, may smile in their turn."

Fortunately, in this twentieth century, it is universally recognized that opposition to the development of labor-saving devices and machinery is narrow and short-sighted; but there are still labor agitators, communists, bolshevists, and demagogues who are advocating theories in business and finance that, if adopted, would, as in Russia, shake the very foundation of industry. Many of

them have the persuasive art without experience or industrial knowledge. They remind me of an after-dinner speech which I heard General Grant make, in which he said:

“Mr. President and gentlemen of the Press Club of New York: A feeling of awe comes over me when I realize I am addressing men of superhuman ability. Your rapidity of conception, your unerring conclusions are astounding. When I was before Richmond in conference with men whose life study had been military strategy, when after days and nights of investigation and deliberation a plan of campaign was finally decided upon, you would get down to your newspaper offices late at night, dash off editorials explaining how we were all wrong, and pointing out what we should have done and what we ought to do. Your remarkable versatility was shown in formulating legislation, and you were peculiarly positive in international diplomacy where the facts were state secrets.” (Laughter and applause.)

The efficiency and economic advantages of well-organized and ably managed industrial consolidations has been fully demonstrated, particularly during the World War when victory largely depended on coöperative production and transportation.

In writing thus of industrial consolidation, I do not here refer to plans of capitalization, but to what has been, and what is destined to be accomplished by demonstrated methods, in improved quality, in standardization, in reduced cost of manufacture and distribution, and in reduced prices to consumers. When these results are realized, everyone profits thereby, and it is of secondary

importance from a public point of view whether the enterprise is owned by one man or is a consolidation of various companies.

Henry Ford has furnished the supreme example of how manufacturing and distribution costs can be reduced by methods which were developed as a result of industrial consolidation. Sharing these advantages with the public, by reducing the price of his products and raising wages, Ford has made the greatest individual industrial success in the history of the world. Endowed with almost superhuman ability, he has put in effect the methods of the ablest industrial leaders and I think Wall Street will admit, incidentally, that he has demonstrated his capacity as a financier. The industrial field is always open to anyone who wishes to demonstrate how far nature has endowed him with superior intelligence.

It is, however, very seldom that one man is endowed with the ability to form an organization which secures on a large scale benefits that are ordinarily the result of consolidation.

Rockefeller and Carnegie, as well as Ford, started without capital, and the success of all of them has been due to superior intelligence, which illustrates the wisdom of the Creator in endowing men with superhuman ability to lead in the evolution of industry, as well as in other great activities of life.

All men should be free and equal before the law; everyone should have his opportunity up to the capacity which God has given him, but to attempt to interfere with the progress of industry by substituting the mediocrity of



*John D. Rockefeller.*



*Henry Ford*





uniformity for thrift, industry, enterprise and ambition, and the grand scheme of endeavor which makes life earnest in giving a man something to strive for, is contrary to the plan of evolution ordained by Providence.

While labor leaders, socialists and legislators have opportunities to be of service to their fellow men, they will not only fail in their efforts, but their influence and activities will prove harmful, so long as their plans fail to take into account the fundamental, supreme, unalterable fact that men are endowed with widely differing abilities. The application of any theories which presuppose conditions in opposition to this fundamental fact inevitably result in chaos such as that of Russia.

The taking over of factories in Italy by the workmen, and their re-delivery, was an object lesson which showed that directors and managers must be men who are qualified for their positions by intelligence and experience.

How far the great improvement in the condition of the masses has been the result of the development of steam and electricity, the utilization of natural resources, the development of labor-saving devices and machinery, and how far it has been the result of industrial consolidation, cannot be accurately determined, because it is impossible definitely to separate the results of mechanical development from those of economic evolution. It is, however, manifest that industrial evolution has now reached an advanced stage where continued development must result largely from industrial consolidation.

I do not think the capitalists and "Trust Magnates" realize how intelligent the labor leaders are.

In 1893 I was under examination by the Lexow Anti-Trust Committee for three days, during which time some of the metropolitan press inflicted upon me "the unkindest cut of all," by using for my picture a wood-cut of the hated General Weyler of Cuba (we both had side whiskers). During the examination I appealed to labor, stating that in my opinion wages were and would be higher, as they have proved to be, under industrial consolidation than under the conditions of war-to-the-knife competition.

After the examination I invited the principal labor leaders of the country to my home for dinner. I had never heard of a so-called industrial leader or capitalist extending that courtesy to the prominent representatives of labor. I had been a member of the Civic Forum and attended its banquets where capitalists and labor leaders talked to the galleries and for publication, but on such occasions there never was and never could be a frank interchange of views. In the privacy of my home, the interchange of opinions was frank and free. The discussions were intense, but the good nature of the occasion was maintained from seven o'clock in the evening until two o'clock in the morning. A college graduate and distinguished lawyer present introduced, with an air of superiority, the subject of socialism. To his surprise, he found himself in the infant class as compared with the knowledge of the labor leaders, some of whom were personally acquainted with the prominent socialists.

I asked Gompers: "What is the difference between a socialist and a trade unionist?"

Gompers promptly replied:

"The socialists want to accomplish by revolution what we are accomplishing by evolution."

I then asked the labor leaders a question, involving a charge to which there was no logical defense. To give an idea of the fairness of the discussion, they, rather than take an illogical position, replied: "You, as an industrial organizer and manager, can speak with definiteness, but it would be unwise for us to get too far ahead of our constituents."

This gave me the opportunity to introduce a humorous simile, which was in the spirit of the occasion.

"Your reply," I said, "reminds me of the description of leadership which was given to me by a cowboy at a round-up of cattle on Padre Island, Texas, where we were contemplating the possibility of a stampede.

"'It's difficult,' he said, 'to find out what starts a stampede; it may be as small a thing as a jack rabbit, but when it starts there's nothing indefinite about it!'"

"The cowboys put spurs to their horses and ride ahead of the stampede waving their ponchos. To endeavor to stop the cattle is certain death. All that can be done is to slightly change their course, until they rush on into a lake or river, cool off, and arrive at normalcy."

Had a capitalist made that statement at a Civic Forum banquet there would have been a stampede of the representatives of labor.

I was interested in discussing with those labor leaders their views on Bryan's 16 to 1 policy. While the labor leaders have always found it convenient to be in politics, and while they have been glad to avail themselves of

Bryan's matchless oratory, their sound judgment made them unanimous in the statement, concisely expressed, that they did not "want labor paid in fifty-cent dollars."

They justly observed that: "There is no way in which wages are so quickly and effectively reduced as by depreciating the currency of a country."

The laborers of Europe are today sadly familiar with that fact.

The natural evolution of industrial methods and processes has not only been fully demonstrated, but it is as certain to continue as the operation of the law of gravitation.

But are those advantages fairly distributed? Rockefeller, Ford, Carnegie, Frick, Schwab loom up like first power lighthouses. The public generally is dazzled by their great fortunes, instead of fully appreciating the great service they have rendered in lighting the way to industrial progress. There is no reason to envy their great fortunes; they can spend but comparatively little on themselves. I was a guest in 1873 of Frederick Barreda who was living more extravagantly than any man in this country. His residence on Madison Avenue was of the best. He owned a place in Newport, now owned and occupied by the Astors, the finest estate in Maryland, and a magnificent residence in Paris. In my youthful inexperience I said: "Mr. Barreda, you have magnificent facilities for enjoyment."

"Magnificent discomfort!!" he replied. "I have worked up the most elaborate system for irritation and trouble that could be devised. In business you excite the earnest



industry and loyalty of young men by picturing attractive prospects. I can inspire but little interest and loyalty in a large retinue of servants—my property is neglected, many of my belongings have been stolen, more are mis-used, and most of the entertaining is done by servants in my absence at my expense.”

While I do not wish to detract from the glory of the multi-millionaire philanthropists, the fact is that the only way they can get any real satisfaction out of their surplus wealth is by devoting it to beneficence. It is to their credit that they have generally shown in the disposition of their fortunes for the public weal the ability that they displayed in acquiring them. They have certainly blazed the way to a prosperity that has resulted in the well-being of the people at large. On the coast north of Cape Hatteras, the old time wreckers, to secure plunder, used to display false lights which caused merchant ships to run on the reefs to death and destruction. Lenine has displayed in industry the false lights of communism that have led to industrial chaos and the starvation of millions.

Before the formation of “Industrials,” I could have named many firms that flourished by being expert in the manufacture of deceptive goods, in many cases counterfeit goods; but such concerns now find it almost impossible to compete with standardized productions whose trademark brands are internationally advertised and known to be reliable. I know of no industrial consolidation today that does not realize the importance of improving and standardizing its products.

The amount received by promoters—generally in junior



securities—has been greatly over-estimated: except in cases where the principal objective has been a large flotation of speculative securities, the promoter's share has been but a small percentage of the increased profits realized through consolidation.

The boards of directors of industrial consolidations have had the opportunity to observe so many object lessons of success and failure that most of them, I am glad to record, have arrived at the age of wisdom; they have, to a large extent, availed themselves of the advantages of consolidation stated above; so that the industrials of the present day are generally administered with good judgment.

Even in the past when business management had not the experience that it has today, the common shares sometimes called capitalized hopes—have been converted into thousands of millions of dollars in dividends and increased tangible assets.

Industrial consolidation has proved itself, with the result that the number of consolidations in America and the industrial countries of Europe is steadily increasing.

## INDEX

### A

Abaza, Admiral, 219, 220, 221

Advertising, importance of, 308

**AEROPLANE**—first ascent in "heavier than air" machine; injunction before adjudication, 245; Wrights fail to interest our Government; aeroplane negotiations with England, 245, 246, 247; demonstration flight in Berlin, 247; Orville Wright congratulated by Kaiser, 247, 248; Kaiser's aeroplane dinner, 248, 249; War ministers throughout world not intensely interested in Wright aeroplane, 249; Wilbur Wright's flight at Le Mans, 250; Wright secrets might have become U. S. State secrets; Wrights not lucky accidental discoverers, 253.

*See also* **WRIGHT BROTHERS**

*Alabama*, Confederate privateer, 6, 18, 20

Aldrich Amendment to McKinley Bill. *See* *Reciprocity*

Alexander Michaelovitch, Grand Duke of Russia, 198; author sends him model of the *Arrow*, 144

Alexis, Grand Duke, of Russia, 202  
Alfonso XIII, King of Spain, declines to ascend in aeroplane, 251; with Wilbur Wright in Wright biplane (*illustr.*, 248).

American and Hawaiian Steamship Company, the most successful American steamship company ever organized, 21

**AMERICAN CHICLE COMPANY**—Col. Harvey, proprietor of *International Confectioner*, suggests a chewing-gum consolidation, 305, 306; six companies consolidated—

\$9,000,000 capitalization, based principally upon value of trade marks, 306; why name "American Chicle Company" was adopted, 306, 307; good will valued at about \$14,000,000; the advertising value of "Doc" Beeman's face; the Sen Sen Chiclet Company, 307; business declines because of insufficient advertising; Wrigley seizes opportunity and becomes the biggest manufacturer of chewing gum, 307, 308

American Committee for the Encouragement of Democratic Government in Russia, 232

American Republics, Bureau of, building in Washington (*illustr.*, 148); initiation of idea; Andrew Carnegie presents "Pan-American Building"; cost \$750,000, 83

American Woolen Company, 305

*America's Cup*,—1881—*Gracie* beats *Mischief*, cup defender, and *Atlanta*, challenger, 137, 138; *illustration*, 138; 1893—*Vigilant-Valkyrie II* races; Lord Dunraven, 140; 1903—aboard *Erin* during *Reliance-Shamrock III* races, 141

Andes, railroads in Peru built at terrific cost by Meiggs, 55

*Andrew Jackson*, clipper ship, record voyage, New York to San Francisco, 12

Anglo-Japanese Treaty, 205

*Aquideban*, Brazilian battleship, 90  
Arbitration, Inter-American Treaty.

*See* *Pan-American Conference*

Arbitration, International, Blaine's early efforts for, 153

Argentine,—inflated finances in 1874, 77; activities of Charles H. Sanford and Baring Brothers,

# Argentina—Continued

74; warships for sale, 183; efforts by Japan and Russia in 1904 to obtain war vessels, 202 to 205

Armaments, competitive, 154

*Arrow*, fastest yacht in the world,—

How she came to be built; powerful engines and light weight hull result in highest speed; wide publicity, 143; *illustrations*, 144; model sent to Grand Duke Alexander Michaelovitch; *illustration* of model, 144; Countess Cassini entertained, 145, 146; Countess Cassini and Sailing Master Packard (*illustr.*, 146); ocean greyhound and fastest yacht, (*illustr.*, 146); radical departure of *Arrow's* model, 146; trip around New York harbor—guests: Prince Pu Lun, Chauncey M. Depew, John Bassett Moore and John Brisben Walker, 279, 280; Depew tells his choicest story (*illustr.*, 280)

Log-book, 144; Lewis Nixon's prophetic entry, 146; J. P. Holland on submarine development, 147; Frank A. Munsey's entry, "To a New England Boy"; comment by Depew, 280; Prince Pu Lun writes verse in Chinese, 280; John Brisben Walker questions advisability of making our literary men Ministers Plenipotentiary, 280

Astor, Col. John Jacob and his battery, 200

Astor, Vincent, 200, 201

Atchison, Topeka and Santa Fe R. R., 262, 263

Atlantic Yacht Club, 269; Countess Cassini objects to Japanese flag, 145

AUTOMOBILE,—the De Dion "Puff Puff," 1894; first horseless carriage race, 1896, 240; Depew's tact in picturing glorious future of horseless carriage, 240, 241; Ralph Morgan, mechanical engineer, retained, 241; investigations and construction of a commercial car, 241, 242; Stanley's steamer, 1898; John Brisben Walker; William Rocke-

efeller's interest in automobile evolution; Locomobile first motor car driven by author, 242; first car to arrive at South Side Sportsmen's Club, 242, 243; Selden Patent Association brings together mechanical engineers, 243, 244; Henry Ford's success with standardized quantity production; social and political influence of low-priced cars, 243, 244; years of motor car driving without an accident, 244

Automobile Club of America, author incorporator, 244

Avelan, Admiral, Russian Minister of Marine, 205, 210

## B

Bacon, Robert, Ambassador, Corinthian Sailor "Bob," 134; U. S. Steel, 168

Baird, William, baritone singer, 138, 139

Baker, Captain, 13, 16; Grand Admiral of Brazil's "dynamite fleet," 98; cable of Mello's surrender, 100

Baldwin Locomotive Works, 81, 82

Balintore Castle, 40, 69; Michael P. Grace and his guests (*illustr.*, 68)

Balmaceda, 65, 194

Balta, President of Peru, 54, 57

Baring Brothers, 5, 43, 45, 46, 66, 74, 110

Baring, Edward, 74, 134

Baring, Thomas, 110, 258, 262, 263; Maine hunting trip, September, 1882, 43 to 46; *illustration*, 40

Barreda, Frederick, his "magnificent discomfort," 320, 321

Battle Abbey, 40; entrance to (*illustr.*, 30)

Bayard, Thomas Francis, 257

Beecher, Rev. Henry Ward, 269; *portrait*, 266

BELMONT, AUGUST,—1883; transfers \$3,500,000 to the Rothschilds, London, on receiving order by telephone from Secretary of Treasury, 186; author telephones Belmont from Washington U. S. Government is informed that Rothschilds can influence the sale of Brazilian cruisers to Spain

**BELMONT, AUGUST**—*Continued*  
or to the United States, 186, 187;  
effect on stock market of reports  
of Spanish war vessels coming to  
our Atlantic Coast, 189, 190;  
induces author to bring about a  
consolidation of mechanical  
rubber companies, 302, 303; in  
composite picture of industrial  
organizers from *La Revue* of  
Paris, 308

**Bennett, James Gordon**, author's  
letter (1909) advocating pre-  
paredness, 188; Bennett's reply  
(*facsimile*, 192, 193)

"**Biamilsite**," shooting box named  
from location on site by old mill  
dam, 34; *illustration*, 28; "Dot,"  
author's cocker spaniel; poetry  
inspired by, 34, 35; Captain  
Sir Guy Gaunt, head of British  
Secret Service in America, 35,  
36 (*illustr.*, 30); literature let  
loose on Long Island, Editor  
R. H. Davis; Dramatist Owen  
Davis; and Writer Irvin S. Cobb  
(*illustr.*, 28)

**Bigelow, John**, 254

Birds and bird lore, 30, 31

**Black Ball Liverpool Packet Line**,  
12; *Montezuma* (*illustr.*, 16)

**BLAINE, JAMES G.**,—53; first meet-  
ing, 175; beginning of author's  
*entente cordiale* with, 153; Red  
House, 153, 159, 160; Blaine's  
keen sense of humor—like  
Lincoln in pointing true in-  
wardness of political situations,  
156; *portrait* and *signature*, 174

**Arbitration, International**,  
Blaine's vision of a world  
court avoiding frightfulness of  
a world war, 153, 154

**Brazil, Republic of**, monarchy  
overthrown; cable and *facsimile*  
of Blaine's letter to author, 88,  
89, 90

**Chile**, Blaine deplores President  
Harrison's proposed message  
to Congress in re *Baltimore*  
incident "threatening" Chile;  
Blaine exerts his influence to  
bring about settlement without  
employment of menace or force,  
160, 161

**Competitive Armaments**, realizes  
dangers of, 154

**Pan-American Conference**,—  
technical point raised in opposi-  
tion to Blaine's election as  
president of conference re-  
moved after author offers to  
resign as delegate to assure  
Blaine's unanimous election,  
152, 153; Blaine declares height  
of his ambition is to further  
means to prevent war, 153;  
his proposed Inter-American  
arbitration treaty robbed of its  
eloquence by translators, 154,  
155; Chile, due to annexation  
possibilities, surprises confer-  
ence by declining to sign Inter-  
American arbitration treaty,  
155, 156

**Personality of**, 158, 159

**Reciprocity**,—reciprocity trea-  
ties, 175; Blaine anxious for  
reciprocity treaty with Brazil;  
treaty settled and approved,  
176; his public letter advocat-  
ing reciprocity, 177; Blaine  
compliments author's foresight  
in having proposed differential  
duties on many articles instead  
of the free admission of a few,  
177, 178; John Foster is re-  
tained as lawyer; Blaine writes  
how Brazil could avoid con-  
flicting with favored nation  
clause in treaties with other  
nations, 178. Reciprocity with  
Canada, *see Reciprocity*

*Times* attacks on, 159

"Womenonlyreal diplomats," 144

**Blavatsky, Mme, Helena Petrovna**,  
retains Wm. M. Ivins to recover  
advances of \$21,000 on farm, 126;  
on stand, disregards lawyers' in-  
structions; follows advice of her  
invisible "familiar"; forecasts  
court's opinion; surprises Ivins  
by her intellectual powers and  
apparent second sight; obtains  
control of *Spiritual Scientist*, 127;  
founds Theosophical Society;  
Robinson's letter telling of four  
members of the "Hiraf" taking  
part in the society's organization,  
128; *portrait*, 128; editorials in  
*Spiritual Scientist* on "Hiraf"  
article, 129; attack on her cult  
in *New York Sun*, 131; *Sun* re-  
tracts, 132



Bliss, Cornelius N., Delegate to Pan-American Conference, 148; *portrait*, 176  
 Blydenburgh, Morgan, estate (*illustr.*, 24)  
 Bolsheviks, 314; obtain Russian gold with which to bedevil the world, 234  
 Boris and Cyril, Grand Dukes of Russia, 196, 197; *portraits*, 196  
 Boutakoff, Commander, Russian Naval Attaché, 198  
 Boyd, James, owner of *Panama Star and Herald*, introduces author to Latin-America in 1874 as "important merchant," 50, 51  
 BRAZIL,—author's visit to a coffee plantation in 1874, 78, 79, 80; Brazil in need of 63 large locomotives—specifications, cabled at cost of \$1407, results in securing order, 81, 82; overthrow of the monarchy; Blaine's letter enclosing cable, Nov., 1890, 88, 89; *facsimile*, 88; Blaine's letter to author on recognition of the Republic of Brazil, 89, 90; inflation encourages industrial activity and avoids revolution, 89; Peixotto becomes President; artificial prosperity created by inflation sags; Monarchists think conditions favorable to re-establish Empire, 90; Mello and da Gama take to the high seas with the whole Brazilian Navy; Peixotto cables his minister at Washington a hurried demand for a Navy to prevent secession of Northern provinces; order turned over to author with full power to execute, 90; Rothschilds issue credits; obtaining of war vessels impossible, 91; nothing available but speed, dynamite and wide publicity describing the dynamite squadron, 90, 91; Morgan liner *El Cid* purchased from Huntington re-christened *Nicteroy*, 92, 93, 94; *illustration*, 92; munitions obtained at Chicago World's Fair, 95, 96; Wm. M. Ivins actively in charge of publicity, 91; *Midnight Sun*, fastest steamer in Europe available for quick conversion into a cruiser, purchased and named "*America*," 96; the Eric-

son *Destroyer*, three torpedo boats and tons of dynamite purchased, 97, 98; executive officers of fleet all graduates of Annapolis—crews mostly service men, 98; Flagship *Nicteroy* and three torpedo boats ready, with capacity to fire 3500 pounds of dynamite, within 21 days from receipt of order; Minister Mendonça comes from Washington—*Nicteroy* is formally put in commission and the flag of the Republic, *Order & Progress*, seen floating in the breeze for first time by the officers and crew; Fontaine's descriptive poetry, 98, 99; Northern provinces hesitated to secede when reading of dynamite squadron, 99, 100; fleet arrives in time to prevent secession of Northern provinces, 100; an old Brazilian Admiral comes on board at Bahia; he sees dynamite gun hit mark, orders fleet to Rio de Janeiro; the Grand Admiral goes ashore and cables that Mello has surrendered and revolution is ended, 100; final settlement of accounts with Brazilian Government, 101 to 107; James G. Blaine and reciprocity treaties, 175, 176, 177, 178  
 Brownson, Rear Admiral, 250  
 Brooklyn Polytechnic, 6; Philologist Debating Society, 115, 117  
 Brooks Locomotive Works, gives "a price to get locomotive order," 82  
 Broussiloff, Captain, 202, 211, 213, 216, 217; a telegram to the Sultan of Turkey (*illustr.*, 216)  
 Broussiloff, General Alexis A., 211  
 Brush, Charles Francis, 291, 292, 293  
 Bryan, William Jennings, McKinley-Bryan Campaign, 1900, 286; author discusses 16 to 1 policy with labor leaders, 319, 320  
*Buffalo*, cruiser, 107. *See Nicteroy*  
 Bushnell, the father of submarine warfare, 147  
 Business, author starts in business as dock clerk, 7; buying machinery, 48, 49, 50

## C

Canada, Reciprocity. *See Reciprocity*



Capitalization, 315; West Shore Railway example of danger in basing capitalization on large earnings during period of prosperity; many companies financed in 1918 and 1919, also cases in point, 110, 111, 112

CARNEGIE, ANDREW, shooting party at Cluny Castle, Scotland, 39, 40; tells a story vouched for as "genuine Scotch," 40; cables exchanged with Schwab in reference to Homestead, 40; delegate to Pan-American Conference, 1889-90, 148, 151; presents Pan-American Building, 83; the "Canny Scot," 168; Judge W. H. Moore's loses million dollars in unaccepted option on Carnegie steel properties, 168, 169; reveals to author plans of proposed steel plant at Connaught and low cost of production, 169; the Scotchman's way of advocating consolidation and the purchase of his properties, 170; *Puck* cartoon picturing Morgan and associates in burlesque of "Napoleon's Retreat from Moscow," amusing to Carnegie; U. S. Steel shareholders, however, laugh last, 170, 171; *portrait*, 176; started without capital, success due to superior intelligence, 316; philanthropist, 320, 321

Carter, James C., leader of New York Bar in sink box and on deck of tender (*illustr.*, 32)

Cassini, Countess, 145, 146

Castro, General Cipriano, 203

Chapman & Flint, 5, 6; builds block of houses on Montague Terrace, Brooklyn, 6; ships named after the saints escape accident for years, 12; one of the "Saints," (*illustr.*, 16); first to build elliptical stern, 16

Chapman, Isaac Flint, *portrait*, 4

Chapman, Captain James, author's uncle; description of, 17; informed by Capt. Semmes his ship is not immune from capture by *Alabama*, 18; the sailor's choice on his ship—the smooth way or the rough way, 18; a typical American shipmaster; his versatility, 18, 19

Chentung Leung Chen, Sir, aboard the *Arrow* listening to Depew's choicest story (*illustr.*, 280)

Chicago World's Fair, how ordinance exhibit was obtained to help prevent reestablishment of the monarchy in Brazil, 95, 96; visit to Chicago of Pan-American delegates, 156; their entertainment; Latin-Americans dodge efforts to evoke expressions of Chicago being best place for the World's Fair of 1893, 157; author's speech at grand banquet; his toast to the Americas, 158

"Chief" (*illustr.*, 34); at the home of the County family, the McArthurs (*illustr.*, 36)

CHILE,—Chileans the "Yankees of South America," 64; resignation as Chilean Consul when Peru orders munitions, 85; Balmaceda defeated, 65; author declines to act as Consul-General, 65, 66; difficulty with United States in 1892; assault in Valparaíso of cruiser *Baltimore's* crew commanded by "Fighting Bob" Evans, 159, 160, 161; cruiser *Esmeralda's* sale to Ecuador and delivery to Japan, 180, 181; efforts by Japan and Russia in 1904 to obtain war vessels from Chile, 201 to 205; nitrate industry, *see Nitrate*

CHINA,—Chinese visitors to the United States—Kang Yu Wei, 276, 277, 278, 279; Prince Tsai Tao and Lord Li, 279; Pu Lun, 279; Dr. Wu Ting Fang, 281 to 284; Tong Shoa Yi, 284, 285—Kang Yu Wei's system substituting a practical education for the Chinese classics, 276; China's attitude towards United States, 284; why China delayed entry into World War, 285; War with Japan, *see Japan*

China, Dowager Empress of, 277, 281 Chinese Exclusion Act, Dr. Wu Ting Fang, 281; instead of Chinese coming to the United States in large numbers, let China grant concessions to American industrial leaders to help develop China's unlimited resources, 282, 283

- CHOATE, JOSEPH H., sees importance of encouraging the First Provisional Government of Russia, 226; *autographed portrait*, 228; his keen appreciation of humor, 227; station occupied by Depew, 227; Twelfth Night celebration at Century Association, 227, 228; the woman dressed extremely decolletée, 228; the Ambassador homeless, 228; opinion in a Guatemalan boundary dispute, 229; his legal fees; his compliment to Mrs. Choate, 229; on committee for encouraging Russian First Provisional Government, 232
- Cleveland, Grover, *portrait*, 262; Tilden recommended Daniel Manning for Secretary of the Treasury and Jordan for Treasurer; sound on finance by Tilden's advice, 256; Tilden's high opinion of Cleveland, 260, 261; Tilden furnishes James J. Hill advance information on nomination, 261, 262
- CLIPPER SHIPS, *Andrew Jackson*, record "round the Horn" voyage of, 12; Captains,—Captain Baker, 13; hazards taken by, 14; their courageous wives, 15, 16; Chapman & Flint ships named after the saints, 12; one of the "Saints" (*illustr.*, 16); death knell of the clipper ship, 16; discipline, 14; "every sail set," 15; *Dreadnaught* crew, chantey of, 15; "Grub"—"the best grub and the worst treatment," 15; *illustrations*, 12, 16; South Street array of varnished spars in author's boyhood days, 11; "Tea Clippers," 12
- Coast defenses, Tilden's letter on, 189
- COBB, IRVIN S., foreword by, v to x; "Dot," 35; with R. H. Davis and Owen Davis—Literature let loose on Long Island (*illustr.*, 28); fishing, 163; camouflage, with "Bob" Davis (*illustr.*, 162); on Newton D. Baker's compensation for "brains," 172, 173; speech in London, "Blood is thicker than water," 246; keeping his word of honor, 251; dinner at Dower House, 252
- Cocktails, injurious to health; abstention from; orange juice as substitute for, 23
- Coffee and tea as reserve mental stimulants, 23
- College education, value of the classics, 7
- Colombia a neutral, getting munitions through to Peru, 86
- Communism, Lenine has displayed its false lights in industry, 207
- Communists, 314
- COMPUTING-TABULATING-RECORDING COMPANY,—a consolidation of allied interests; the most successful of author's consolidations; owns three separate and distinct lines of business; Guaranty Trust Company loaned over \$4,000,000, 312; the special advantages of an allied consolidation, 312; President Watson's report, 313, 314
- Coney Island, Countess Cassini sees all the sights, 146
- Congo, Belgian, United States Rubber Co. seeks crude rubber, 300; King Leopold's impossible terms, 301, 302
- Connaught, Carnegie's proposed steel plant at, *see Carnegie*
- Constantinople, a visit to on a secret mission for Russia, 213, 214, 215
- Coolidge, T. Jefferson, U. S. delegate to Pan-American Conference, 148; *portrait*, 176
- Coöperation, Commercial, first attempts in merchandising, 309
- Costa Rica, Meiggs' indirect influence—his contract to build railroad from the Capital, San José, to the Atlantic; road constructed by Minor C. Keith, Meiggs' nephew, despite tremendous natural obstacles, 59, 60, 61; General Guardia's accession through a *coup d'état*, 62; \$150,000 credit for road pledged by the government and General Guardia's personal guarantee, 62; collection of loan not without its troubles, 62, 63; Keith's railroad and the United Fruit Company, 63
- Coudert Brothers, 198, 199
- Cox, James M., 251
- Crane, Richard, 196

Currency, debasing, a fine old idea; Argentina's inflated finances in 1874, 77, 78; Brazil, 89, 90; Bryan's 16 to 1 policy, 319, 320  
Cyril, Grand Duke, of Russia, *full figure portrait*, 196

## D

Dana, Charles A., Mme. Blavatsky's libel action against N. Y. *Sun*, 131, 132  
Danish West Indies, question of purchase, 184; author asked by President McKinley to name purchase price; bill authorizing purchase, 185; McKinley withdraws bill to authorize purchase because of Senator Elkins' opposition, 185  
Davies, Julian T., 274, 275  
Davis, Henry G., U. S. Senator, delegate to Pan-American Conference, 148  
Davis, Owen, dramatist, 36 (*illustr.*, 28)  
Davis, Robert H. ("Bob"), verse inspired by "Dot," 34; with Irvin Cobb and Owen Davis (*illustr.*, 28); fishing, 163; camouflage, with Irvin Cobb (*illustr.*, 162); at Dower House dinner, 252  
Day, George, the Selden patent, 243  
Debt, ways of collecting a bad debt, 101, 102  
Denmark, King of, appoints committee to negotiate sale of Danish West Indies, 184  
DEPEW, CHAUNCEY M.,—112, 227, 232, 240, 273; *autographed portrait*, 112; telling his choicest story to party aboard *Arrow* including Chinese Minister and John Bassett Moore (*illustr.*, 280); diplomatically pictures automobile's glorious future, 240, 241; his tact in excusing attitude of American officials toward De Valera, 241; comment underneath F. A. Munsey's entry in *Arrow's log*, 280  
Dock Clerk, 7; wharf experiences, 7, 8  
Donoghue, Irish fox-hunting enthusiast, 24

Double Dragon, order of, conferred upon author by Chinese Government, 282  
"Drake," hunting dog, 41;  
"Drake" pointing quail in tree (*illustr.*, 38)  
*Dreadnaught*, clipper ship, 12; sailors' song, 15  
Duck shooting, Havre de Grace, sink box, canvas back decoys; James C. Carter in sink box and on deck of tender; Wallace B. Flint; point shooting; sneak boat (*illustrations*, 32)  
Duma, Russian, 224, 230  
Dunraven, Lord, "Lord Dunracing," 140  
Dupont, T. Coleman, 37; on steps of his glass house, 37, 38 (*illustr.*, 36)  
"Dynamite Fleet." *See Brazil*  
Dynamite gun, probable effect upon naval warfare, 91  
Dynamite gun, Zalinski's, 94, 95, 98; *illustration*, 92

## E

Ecuador, serves Chile in transfer of cruiser *Esmeralda* to Japan, 180, 181  
Eddy, Ulysses D., 84, 246; writes author Chilean president wants to interest American capital in Chile, 69; goes to Chile to make final arrangements for nitrate consolidation, 71  
Edison, Thomas A., getting ready to manufacture incandescent light at Menlo Park, 293; how he felt about author's proposed electric consolidation, 295, 296; *autographed portrait*, 296; harbored no ill feeling following legal battles, 297  
Education, value of the classics, 7; mastery of the English language most practical, 7; an instructional system for the technical industrial education of Latin-Americans, 83, 84; the Chinese educational system, 276  
*El Cid*, Morgan liner, rechristened *Nicteroy*, 94. *See Nicteroy*  
Electric railroad, Farmer's road, 1847; Dr. Colton's model, 290



- Electrical development, *see* *United States Electric Lighting Company*
- England, supremacy of the sea and the German menace, 192
- English, the creed of a certain class never to speak to anyone while travelling, 271, 272, 273
- English language, mastery over language a most valuable possession, 7
- Ericsson, John, submarine torpedo guns, 87; his *Destroyer*, 96; *portrait* and *autograph*, 86
- Erin*, Lipton's steam yacht; aboard during 1903 Cup races, 141
- Esmeralda*, cruiser, 191, 219; transferring her to Ecuador from Chile, thence to Japan, 180, 181; liberality of Japan; gratuities to officers and crew; makes good an unanticipated expenditure in purchase, 182; only war vessel in history delivered to a belligerent, 183
- Essen, four years before the World War, 250
- Estee, Morris M., delegate to Pan-American Conference, 148
- Evans, Captain Robley D. ("Fighting Bob"), "If they fire on my ship all hell will smell of garlic," 159
- Evarts, William M., U. S. Senator; "what a commentary on human effort!" 54; fears reciprocity might lead to a war of tariffs, 177
- Evening Post*, The New York, author's libel suit against, 1892, 273, 274, 275

## F

- Fales, William Edward Sanford, member of Philologist Debating Society, 115; *portrait* and *signature*, 116; description of and characterization, 115, 116, 117; "F" in "Hiraf," 119; the conjuncter, 120; assists Ivins in Mme. Blavatsky's farm litigation, 127; Constitution and By-Laws of the Theosophical Society, 127, 128
- Farmer, Moses G., diary of electrical experiments, 290; finally concludes there are no limitations to electrical development, 293
- Finland, fishing in, 166, 167
- Fishing, author's first experience, 162; author's fondness for enhanced by association with Irvin Cobb and R. H. Davis, 163; camouflage, Irvin S. Cobb and "Bob" Davis (*illustr.*, 162); "eight pound" bass sent to Theodore Roosevelt, 163; *photograph* of President Roosevelt's letter from White House to author acknowledging, 163; basket of violet bedecked fish sent to Lyman J. Gage, 163, 164; dry fly fishing (*illustr.*, 164), author trout fishing in brook at South Side Club, L. I. (*illustr.*, 166); waters in Minnesota's Northern boundary, 164; the zigzagging Indian guide, 165; trading with an Indian chief, 165, 166; in Finland—salmon fishing at Imatra, Finland (*illustr.*, 163); one of Edward VII's special messengers, 166, 167 (*illustr.*, 168); salmon fishing in Saime Lake with George von Lengerke Meyer, 167 (*illustr.*, 168); getting Carnegie into South Side Club, 167, 168; River Test fly fishing, 173
- Flint, Benjamin, author's father, 4; *portrait*, 4; helps author acquire a practical knowledge of vessels, 11
- Flint, Benjamin, author's grand uncle, 5
- Flint, Charles Ranlett, *autographed portrait*, frontispiece; as a child (*illustr.*, 4); *portrait* (at time of first International American Conference, 1889-90), 150; writing telegram to the Sultan of Turkey (*illustr.*, 216); *illustration* from *La Revue* of Paris, 308
- Flint, Mrs. Charles R. (E. Kate Simmons) q. v., 39, 40, 138, 139, 140, 223, 255; dedication to, iii; putting *Nicteroy* in commission, 98, 99; entertaining Countess Cassini aboard *Arrow*, 144, 145; decodes cable from Benét and by telephone wakes up author in Washington, 186; passport mix-up in Russia during war, 213; motoring in the De Dion "Puff, Puff" and early Locomobile, 240, 243; at Orville Wright's demon-

- Flint, Mrs. Charles R.—*Continued*  
 stration flight in Berlin, 247;  
 witnesses the fatal Wright-Self-  
 ridge aeroplane accident at Fort  
 Meyer; makes author promise  
 not to go up in an aeroplane, 250,  
 251, 252
- Flint & Co., 21, 214
- Flint, Dearborn & Co., 21
- Flint, Dr., expert advice of regard-  
 ing specialists, 26
- Flint, Sarah Tobey, author's  
 mother, 4
- Flint, Thomas, ancestor (1642), 4
- Flint, Wallace B., author's brother,  
 21; (*illustr.*, 32); fishing trip in  
 Northern Minnesota, 164, 165,  
 166
- Flints, had second largest fleet of  
 sailing ships under American  
 flag, 21; account with Baring  
 Brothers, 5
- Flying Cloud*, clipper ship, 12;  
*illustration*, 12
- Fontaine's descriptive poem,—  
 "Mello, Mello—," 99
- Forbidden City (Pekin), entered  
 (1860) by British, 17
- Ford, Henry, standardized quan-  
 tity production; social and  
 political influence of his low-  
 priced car, 243, 244; has furnished  
 supreme example of efficiency  
 resulting from methods of indus-  
 trial consolidation; has made  
 world's greatest individual suc-  
 cess, 316; *portrait* and *signature*,  
 316
- Fortunes, public—dazzled by indus-  
 trial organizers' great fortunes—  
 fail to applaud services they have  
 rendered to industrial progress,  
 320; beneficence only way multi-  
 millionaire philanthropists can  
 get satisfaction out of enormous  
 surplus wealth, 321
- Frederick the Great, Zglinitzki the  
 man for captain of his guard, 46
- Frick, Henry C., *illustration* from  
*La Revue* of Paris, 308
- G
- Gage, Lyman J., 196, 232; an occa-  
 sion when generosity was fraught  
 with disaster, 163, 164; telephone  
 request to Belmont for transfer  
 by cable of \$3,500,000 to Roths-  
 child, London, 185, 186
- Game, in Austria-Hungary, 39;  
 game sense; dogs; "bird" sense;  
 perfect understanding between  
 man and dog, 41-42. *See Hunt-*  
*ing*
- Garcia y Garcia, H. E. Jose An-  
 tonio, Peruvian Minister, 1869, 85
- Garguilo, dragoman, Constan-  
 tinople, 214; *illustration*, 216
- Gary, Elbert H., 224
- Gates, John W., 170; *illustration*  
 from *La Revue* of Paris, 308
- Gaunt, Captain Sir Guy, Head of  
 British Secret Service in America,  
 252; at "Biamilsite"—the first  
 English naval officer to salute the  
 American flag on the Fourth of  
 July, 35, 36; *portrait*, 30; impor-  
 tance of preventing Germans  
 from using Lenin, 237
- Georgia, University of, faculty  
 honors author on 67th birthday,  
 19
- Germany, her menace to England's  
 supremacy of the sea, 192; mili-  
 tary prestige of, 248; war prepara-  
 tions; disarming suspicion, 248,  
 249; super-war armaments, super-  
 aeroplanes, super-submarines and  
 super-cannon, 249, 250
- Gilchrist, Flint & Co., ship chand-  
 lers' copartnership formed in  
 1871, 9
- Godkin, E. L., Editor of the *Evening*  
*Post*, 274, 275
- Gompers, Samuel, 232; *autographed*  
*portrait*, 236; cable to the Execu-  
 tive Committee of the Council of  
 Workmen's and Soldiers' Depu-  
 ties, Petrograd, urging coopera-  
 tion and united action in struggle  
 between democracy and autoc-  
 racy, 234 to 237; defines difference  
 between a socialist and a trade  
 unionist, 318, 319
- Grace, Michael P., shooting at  
 Balintore Castle; nitrate con-  
 solidation scheme is discussed,  
 69; castle and lunch on the  
 heather (*illustr.*, 68)
- Grace, W. R. & Co., author joins  
 in organizing the firm, 9; business  
 becomes varied, 48; author at-  
 tends to purchase of sugar estate  
 machinery, 48, 49, 50



*Gracie*, sloop yacht,—

Purchase of, by author, 133, 134; associates: Edmond Robert, Joseph P. Earle and Wendell Goodwin, 134; wins honors in New York Yacht Club cruise of 1879, 134; unprecedented victory over *Mischief* following carrying away of topmast at start, 136, 137; beats *Mischief* in 1881 when latter was selected to defend *America's* Cup against *Atlanta*, 137, 138 (*illustr.*, 138); entertaining; guests aboard during Larchmont race of 1881, 138, 139, 140; log-book—Ivins' poem, 139, 140; expense of, 142; Tilden's trip down the bay on, 258

## Spirit of the Times Cup,—

*Mischief* awarded Buzzards Bay race which was finished in fog; *Gracie* had been first over line, 134; Regatta Committee withdraws award to *Mischief*; author offers cup for another race, 135, 136; cup won by *Gracie* in second race against *Mischief*, 136

Grant, Gen. Ulysses S., President of the United States, 77, 267, 268; after-dinner speech to Press Club on superhuman ability of newspaper writers, 315

Greystone, home of Samuel J. Tilden, 26, 254, 256, 258, 259, 260

Guano deposits, Chinch Islands, enormous revenues to Peru, 53, 54

Guaranty Trust Company, 305, 312

Guardia, General, becomes Costa Rica's president by *coup d'état*; his visit to New York, 62; \$150,000 credit to his government with Guardia's guarantee, 62, 63

Guatemala, railroad built by Minor Keith, 63; Choate's opinion in a boundary dispute, 229

## H

Haldane, Lord, 246, 247; *photo-print* of, 246

Hale, Eugene, U. S. Senator, 182

Hale, S. B. & Co., of Argentina, 73, 74

Hammond, John Hays, Imperial Cabinet, "Russia for the Russians," 220

Hanna, Marcus A. (Mark), 286; *portrait*, 286

Hanson, George H., delegate to Pan-American Conference, 148

Harding, George, Philadelphia patent lawyer, 290

Hardinge, Sir Charles (Lord), 106, 204, 205; *portrait*, 204

Harriman, Edward H., shooting at Arden, 33; he puts seven questions to Dr. Wu Ting Fang but fails to answer latter's single query, 284; *portrait*, 284

Harriman, Mrs. Edward H., her delightful hospitality, 33

Harrison, Benjamin, President, Invitations to the first International American Conference, 1889-90, 148; his proposed ultimatum to Chile deplored by Blaine; the issue settled without employment of menace or force, 160, 161; his message advocating Reciprocity Amendment to McKinley Bill, 177

Havre de Grace flats, duck shooting at, 36, 37; sink box and decoys (*illustr.*, 32)

Hay, Lord John, entering the Forbidden City of Peking (1860), 17

HEALTH, "God of the Open Air," 22, 26; physical vigor requisite to success, 22; smoking, 23; working on natural energy; foregoing mental stimulants except on special occasions; cocktails injurious to health; substitute for, 23; the author's temperance; the poor man's gout, 24; healthful outdoor sports and recreation, 24, 25; life in woods best method of recuperation after illness; the effective prescription of Doctor (of letters) Cobb; how author got best medical expert, 26, 27; important argument in favor of life insurance, 27; health reserves; vitality of the author, 28; health better than wealth, 42; a hunting trip through Maine woods antidote for blood poisoning, 43, 44, 45

Henderson, John Brooks, U. S. Senator, delegate to Pan-Ameri-

Henderson, John Brooks—*Continued*  
can Conference, 148; announces  
to Latin-Americans Blaine's ac-  
ceptance of nomination to presi-  
dency of conference, 150  
*Herald*, The New York, author's  
letter of 1909 to James Gordon  
Bennett advocating prepared-  
ness, 188 to 192; Bennett's reply  
(*lineotype*), 192, 193  
Herreshoff, Nat, torpedo boats  
built for Peru, 87; *photo-print*, 86  
Hill, James J., gets advance infor-  
mation as to the Presidency, 261,  
262; *portrait*, 260; his remarkable  
foresight, 262, 263; interesting  
him in accounting system, 263  
Hinrichs, Frederick W., 117, 120;  
member of Philologian Debating  
Society, 115; *portrait* and *signa-  
ture*, 116; "H" in "Hiraf";  
biographical sketch of, 118, 119;  
letter of James C. Robinson to  
Hinrichs giving an account of  
"Hiraf's" part in organization  
meeting of Theosophical Society,  
128; lawyer for Mme. Blavatsky  
in libel action against N. Y. *Sun*,  
131  
"Hiraf," *see* *Milton Literary Asso-  
ciation*  
Hobart, Garret A., Vice-President of  
the United States, advises seeing  
Roosevelt, not Long, for action at  
Navy Department, 103  
Holland, J. P., 246; entry in  
*Arrow's* log-book on submarine  
warfare, 147  
Homestead, Pa., exchange of cables  
between Carnegie and Schwab,  
40  
Hopkins, Thomas S., assists in  
negotiating *Nicteroy's* sale to  
Navy Department, 102, 103  
Hughes, Charles Evans, 232  
HUNTING,—author's earliest most  
earnest desire—a gun got by  
trading, 29; the woods during  
student days, 30; week-end hunt-  
ing within easy distance of New  
York, 32; European and Ameri-  
can terms—difference between  
hunting and shooting, 40, 41, 42;  
"Drake" and "Ranger," 41;  
game sense, 41, 42; upland shoot-  
ing (*illustr.*, 34); "Chief" (*illustr.*  
34); "Hunter" (*illustr.*, 34);

woodcock cover (*illustr.*, 34);  
"Drake" pointing quail (*illustr.*,  
38); "Ranger" retrieving and  
pointing (*illustr.*, 38); perfect  
understanding between sports-  
man and dog; hunting birds in  
America gives greater satisfaction  
than shooting "driven" birds in  
Europe, 41, 42; big game hunting  
in the Rockies, 43; Maine woods  
hunting trip in 1882 with Thomas  
Baring, 43 to 46; Usedom Castle  
sporting dogs trained to German  
discipline, 46, 47; caribou; moose  
hunting in New Brunswick; "ex-  
plosive bullets no good outside the  
animal," 47; New Brunswick  
woods—guides (*illustr.*, 44); cari-  
bou brought down at 187 yards  
(*illustr.*, 44); Tobique River,  
Baron Robert de Rothschild  
(*illustr.*, 46)  
Huntington, Colis P., author seeks  
to purchase a Morgan Line  
steamer; Huntington controls  
Newport News Shipbuilding Co.;  
his shrewdness and air of finality,  
92; *portrait*, 92; financially ex-  
tended, 93; sells author Morgan  
liner, *El Cid*, 94  
Hyde, Henry B., 265; *portrait*, 286,  
288

I

Incandescent electric light, first  
used in author's New York  
residence, 288, 289; Edison starts  
manufacture at Menlo Park, 293  
Inca, excavated at Pisagua, 67, 68  
Indians, fishing trip in Northern  
Minnesota; zigzagging Indian  
guide; medicine dance; trading  
with Indian chief, 164, 165, 166  
INDUSTRIAL CONSOLIDATIONS,—  
Rockefeller's pioneer work in  
industrial development, 286, 287;  
attempted consolidation (1880)  
of electric lighting and power  
interests, *see* *United States Electric  
Lighting Company*; the successful  
way to bring about large indus-  
trial consolidations, 293, 294;  
exception—E. C. Converse form-  
ing the National Tube Company,  
295; failure of early efforts to  
consolidate rubber shoe manu-

# INDUSTRIAL CONSOLIDATIONS—*Continued*

facturers due to lack of a disinterested intermediary, 298; "Father of the Trusts," how name was bestowed upon author, 286; definition of an industrial consolidation, 286; the first speech, generally published, advocating industrial consolidation as of public benefit was made by author in 1891, 287; co-operation plan in crude rubber trade, 288, 309; consolidation of rubber shoe manufacturers, 297; United States Rubber Company, *see Rubber*; when pioneering in securing options was difficult, 299; mechanical rubber consolidation, *see New York Belting and Packing Company*; best plan is not to bring interested parties together until all have been brought into agreement, 303, 304; American Woolen Company, 305; "Whiskey Trust," 305; chewing gum, *see American Chicle Company*; advantages of industrial consolidation outlined, 309 to 311; allied interests brought together in a consolidation—the Computing-Tabulating-Recording Company, q. v.; economic advantages fully demonstrated during World War, 315; in view of economic results, number of owners is of secondary importance, 315, 316; Henry Ford has furnished supreme example of efficiency, 316; but one man securing large scale benefits exceptional, 316; industrial evolution has reached an advanced stage where continued development must largely result through consolidation, 317; standardized and improved products of consolidations have largely eliminated deceptive goods, 321; the promoter's or organizer's share, 321, 322; present day industrials, as a rule, administered with good judgment, 322; advantages of industrial consolidation proven—number of consolidations in America and Europe increasing, 322

Industrial Evolution, opposition to

improving labor-saving devices and machinery; radical theories of labor agitators, if adopted, would shake the very foundations of industry, 314; attempts to substitute the mediocrity of uniformity for thrift, industry, enterprise and ambition seriously interfere with industrial progress, 316, 317; industrial evolution has reached an advanced stage where continued progress must result largely through consolidation, 317; natural evolution of methods and processes certain to continue, 320

Industrial Organizers, public dazzled by their great fortunes; their services in industrial progress resulting in the well-being of the masses not fully appreciated by the public, 320; services they have rendered often overlooked, 320; seen singly and in a composite photograph, *illustration from La Revue, Paris, 308*

Inflation, Argentina's inflated finances in 1874; Pres. Grant's veto of bill to perpetuate inflation in the United States, 77; prosperity by inflation will not last, 78; Brazil's artificially created prosperity by inflation avoided evils of revolution, during the provisional government, 89, 90; sagging of artificial prosperity brings reaction, 90

Inter-American Arbitration Treaty. *See Pan-American Conference*

International American Conference. *See Pan-American Conference*

International Correspondence Schools of Latin-America, 83, 84

International Mercantile Marine, 21  
Inventions, our Government has discouraged inventors of war devices resulting in their development in Europe, 190, 245, 246; mistake to rely solely on patents, commercial exploitation necessary, 252, 253

Italy, the object lesson taught by workmen's taking over of factories, 317; *Carlo Alberto*, cruiser, 184, 185

Ivins, William M., heads literary bureau to boost Brazilian Pro-



Ivins, William M.—*Continued*  
visional Government's "dynamite squadron," 91; the bureau effective in influencing recruiting, 98; its effect upon the northern provinces of Brazil, 99, 100; Ivins writes about West Shore's doings and undoings for the *Times*; his gift for publicity, 113; discloses existence of "Hiraf," a society for testing human credulity, 118; blackballed by Milton Literary Society, later its most brilliant member, 118; "I" in "Hiraf," sketch of, 119; retained by Mme. Blavatsky to prosecute suit; Fales retained as associate counsel, 126; Madame disregards her lawyers' instructions; forecasts court's decision in her favor; Ivins surprised by her intellectual powers and apparent second sight; he attends organization meeting of Theosophical Society, 127, 128; Ivins at Daniel Webster pond (*illustr.*, 128); Ivins' conversation with Mrs. Besant, 130; guest on *Gracie* at Larchmont regatta, 1881, 138, 139; his poem in *Gracie's* logbook, 139, 140

## J

*Janie Rex*, saddle horse (*illustr.*, 24)

JAPAN, Minister Kurino authorizes purchase of war vessels for Tokio Government, 180; cruiser *Esmeralda*, obtained from Chile through diplomacy, 180, 181; makes good an unanticipated expenditure in *Esmeralda* purchase, 182; Kurino says Japan's success in the war of 1895 was owing to "the obstinate conservatism of China," 182; possible invasion of our Pacific Coast by Japan, 191; War with Russia, *see Russo-Japanese War*  
Johnson, Andrew, President of the United States, 267, 268

Jones, George, owner of the *Times*, 113

## K

Kang Yu Wei, the "Modern Sage of China," visit to the United

States by, 276 to 279; historical references about China with *autographed portrait*, 276; with his daughter at South Side Club, L. I. (*illustr.*, 166)  
Keith, Minor C., construction of Costa Rica railroad, 59, 60, 61; *portrait*, 54; Guatemalan railroad built by; promotes banana industry and founds United Fruit Company, 63  
Knox, Philander C., 188; the "Knox Ultimatum," resulted in discouraging Chile from adopting author's plan to substitute restricted output and high artificial prices for economics obtainable in production, transportation and sales through industrial consolidation, 71, 72  
Kokovtzeff, Russian Minister of Finance, 205, 206, 221  
Krupps, negotiations for the Lake submersible and other submarine inventions, 249  
Kurino, I., authorizes author to purchase war vessels for his government, 180; *portrait* and *facsimile letter*, 180; acts for his government in making good an unanticipated expenditure in *Esmeralda* purchase, 182  
Kwang Su, Emperor of China, 276, 277, 278

## L

Labor leaders, their intelligence not fully appreciated by capitalists, 317; a case in point, 318, 319; the simile of the cowboys leading a stampede, 319; Bryan's 16 to 1 policy as viewed by labor leaders, 319, 320  
Lake, Simon, 200, 208, 244, 246, 249; *autographed portrait*, 198  
Langerman, Chevalier James W. S., 203, 204; with the Sultan of Morocco at Fez (*illustr.*, 204)  
Larchmont Yacht Club, 138, 139, 140; reception to Sir Thomas Lipton—high regards expressed in verse, 140, 141  
*La Revue* of Paris, industrial organizers as seen singly and in a composite photograph (*illustr.*, 308)

- Latin-America, introduced by *Panama Star Herald* as "an important merchant" of the United States, 50, 51; Bureau of American Republics—initiation of the idea, 83; revolutions arise out of an acute unemployment condition among politicians; treasury sometimes chief objective, 88, 89; Blaine on reciprocity treaties with, 175, 176
- Latin-Americans, their gracious hospitality, 82; accomplishments and talents of, 83; an instructional system for their technical industrial education, 83, 84
- Lenin, N., 237, 238; displayed in industry the false lights of communism, 321
- Leopold II, King of Belgium, *portrait*, 286; receives author, 300; his reply to the Bishop, 301; his "impossible" proposition for the Congo rubber, 301, 302; his shrewdness and business ability; looked every one of his eighty inches—a king, 302
- Life Insurance, agents overlook strongest argument in its favor, 27
- Lincoln, Abraham, assassination unfortunate for the South, 267, 268
- Lipton, Sir Thomas, aboard *Erin* during 1903 Cup races; Larchmont Yacht Club's reception, 140, 141; Lipton's retort to the "Windy City" reporter, 141
- Liquor, cocktails injurious to health; abstention from; orange juice as a substitute, 23
- Locomotives, cabling specifications resulted in large contract from Brazil, 81, 82
- Lomax, Harvey, guests at Balintore Castle (*illustr.*, 68)
- Long, John D., 182, 184, 189; at his desk (*illustr.*, 182); deplores Spanish-American War, 103; Roosevelt the mainspring of Navy Department, 103; letter from Secretary Long in recognition of author's services, 187
- Long Island, see "*Biamilsite*"; fox hunting near Ronkonkoma, 25; a sportsman's paradise in uncultivated parts, 33; fishing, 173
- Low, Seth, 39, 117; a model student; pointed out by author's father as a boy to be copied, 32
- Lvoff, Prince G. E., 230; *portrait*, 230

## M

- McArthurs, "Dot," "Drake" and "Chief" at the Home of (*illustr.*, 36)
- McKinley Bill, Aldrich Amendment to, see *Reciprocity*
- McKINLEY, WILLIAM, President, sends for author to negotiate purchase of war vessels, 182; *portrait* and *signature*, 182; says purchase of warships by Spain would cause financial contraction in the U. S. and "I would not be the advance agent of prosperity," 183; instructs author to make offers for Italian cruiser *Carlo Alberto* and battleship *O'Higgins*, 184; Danish West Indies, 184, 185; his ability as an executive, 185, 187; McKinley-Bryan campaign of 1900—he orders wide distribution of author's industrial consolidation speech, made in Chicago, 286
- Machinery, buying sugar machinery; European and American designs and prices, 48, 49, 50
- Maine, woods, 7; Merry Meeting Bay; the Androscoggin; student days, 30; not a regret for time spent in woods during early life, 31; hunting trip with Thomas Baring in 1882, 43 to 46 (*illustr.*, 42)
- Maxim, Hudson, fidgety handling of dynamite samples causes uneasiness aboard *Nicteroy*, 97;
- Maxim, Hiram, Sir, 289; how he obtained Legion of Honor, 292, 293
- Meeker, J. Sprague, introduced to Meiggs by author, 57; repays loans; entertains author at Meiggs' hacienda, 58; the last heard from him, 58, 59
- Meiggs, Henry ("Don Enrique"), arrival in Peru, 53; *portrait*, 54; uses Government funds to promote industry and build railroads, 54; revolutions destroyed



# Meiggs, Henry—Continued

at source, everybody given employment, 54; railroads built up the Andes at terrific cost; Meiggs fully in Hill's class as a railroad builder, 55; love of power and accomplishment led Meiggs to enormous undertakings, 55; in a class by himself as a financier; the builder of Peru, 55; power waning in 1876; author's second visit; his daughter's wedding, 55, 56; an unpleasant interview resulting in somewhat strained relations, 56; loses power with end of guano deposits in sight, 56, 57

Mello, Admiral Custodio de, 97; decamps with Brazil's navy in an attempt to reestablish the monarchy, 90; Fontaine's descriptive poem, "Mello, Mello—," 99; surrender, 100

Mendonça, Dr. Salvador de, 89; 90; 155; *portrait*, 176; 178; his good offices affecting amicable settlement of *Baltimore* incident with Chile, 160, 161; negotiations for reciprocity treaty with Brazil, 176; instructed by President Peixotto to send him a navy, 90

Merchant Marine, American, depredations of Confederate privateers help to take away America's lead in ocean transportation; principal reason—the supplanting of wood by iron and steel in ship construction, 20

Meyer, George von Lengerke, 167; salmon fishing at Imatra, Finland (*illustr.*, 168)

*Midnight Sun*, Norwegian tourist ship obtained for Brazil's "dynamite fleet" renamed the *America*, 96

Military Power of the United States, regarded with contempt by foreign military experts; fear that preparedness would lead to an aggressive foreign policy; an aggressive foreign policy based on bluff more dangerous, 189; James Gordon Bennett's views of big standing army, 193, 194

Miliukov, Prof. Paul N., 230; *portrait*, 230

Miller, Charles R., 159, 197; buying

the *Times* (1892), 273; successful editor, 275

Milton Literary Association, organized 1869, taking in the Philologian Society; its incorporators, 117; reunion dinners, 118; William M. Ivins discloses existence of "Hiraf," a "society for testing human credulity," 118; "Hiraf" article "Rosicrucianism," 120 to 126; Ivins and Fales retained to prosecute a suit for Mme. Blavatsky, 126, 127; Robinson letter to Hinrichs referring to "Hiraf's" part in organization of Theosophical Society, 128; "Hiraf" quoted as an authority by Mrs. Annie Besant, 130

Minstrels, first mammoth minstrels by "Nereid Boat Club," 25

*Mischief*, yacht, see *Gracie*, also *America's Cup*

Mitchel, John Purroy, 232, 237; unsuccessful effort to have him sent to France on special mission, 238

Monroe Doctrine, a fetish worshipped by American people who do not fully appreciate its responsibilities, 188

Moore, John Bassett, 198, 279; aboard the *Arrow* (*illustr.*, 280)

MORGAN, J. PIERPONT, 112, 185, 223, 259; the Wall Street code, 107, 108; *portrait* and *signature*, 194; author's early acquaintance with, 108; great natural ability; dispatched business with uncommon speed and accuracy, 108; expert in every branch of banking business, 108, 109; panics of 1893 and 1907, 109; always a citizen before a banker, 109; buys West Shore Railway bonds, realizes a profit and increases his prestige, 113; one million dollars, 113, 114; author's London creditors, 114; Carnegie's display of *Puck* cartoon picturing Morgan and associates in burlesque of *Napoleon's Retreat from Moscow*, 170, 171; Morgan personally effects £120,000 cable transfer to Rothschilds of London to credit of Chilean Government; quick mastery of figures and details, 181;

MORGAN, J. PIERPONT—*Continued*  
 trying to purchase *Corsair*, 194;  
 Morgan on Schwab's playing at  
 Monte Carlo, 206; Russian bonds  
 declined by, 206; American  
 Woolen Company consolidation,  
 305; *illustration* from *La Revue* of  
 Paris, 303  
 Morgan, J. Pierpont, Junior, his  
 quick decision in matter of  
 \$500,000 loan, 194; *portrait* and  
*signature*, 194; turns details of  
 proposed Chilean nitrate con-  
 solidation over to Henry P.  
 Davison, 71  
 Morgan, J. P. & Co., Andrew  
 Carnegie's revelation of his plans  
 —knowing author's pleasant rela-  
 tions with the banking firm, 169  
 Morgan Line, vessels well adapted  
 for quick conversion into cruisers,  
 92; Colis P. Huntington's control  
 of, 92  
 Morocco, 203, 204; Sultan of, with  
 J. W. S. Langerman at Fez  
 (*illustr.*, 204)  
 Moses, Franklin, ex-Governor of  
 South Carolina, confidence man  
 posing as "J. V. Prince, brother  
 of Mayor Prince of Boston,"  
 266, 267; *portrait*, 266  
 Munitions of War, 189; two moni-  
 tors and three transports (1869)  
 for Peru, 85; author's firm com-  
 missioned by Peru (1878) to  
 dispatch munitions for war with  
 Chile; resignation as Chilean  
 Consul, 85; getting torpedoes and  
 cartridges through by way of the  
 isthmus of Panama, 86; Read,  
 Confederate veteran conducts  
 Herreshoff torpedo boats to Peru,  
 87; submarine torpedo guns, 87;  
 cartridge factory shipped to Peru,  
 88; difficulty in obtaining war  
 vessels to supply belligerents, 91;  
 President Peixotto furnished with  
 speed and dynamite, 91;—*See*  
*Brazil*. Zalinski's dynamite gun,  
 94, 95; model of the *Arrow* sent  
 to Grand Duke Alexander  
 Michaelovitch; Russia's orders  
 to buy war vessels, 144; Arm-  
 strong cruiser *Esmeralda's* pur-  
 chase and delivery to Japan,  
 180 to 182; preparedness, 190;  
 our Government discouraging

war inventors resulted in their  
 discoveries being developed in  
 Europe, 190, 245, 246; supplying  
 Russia, 1904, *see Russo-Japanese*  
*War*

Munsey, Frank A., entry in *Arrow's*  
 log-book, "To a New England  
 Boy"; Depew's comment there-  
 on, 280

## N

Nature, effects cure of a case of  
 blood poisoning, 43, 44, 45

Navy Department, Vice-President  
 Hobart says *see* Roosevelt for  
 action, 103; Roosevelt's prepared-  
 ness, 103; *Nicteroy* bought by  
 Roosevelt for \$500,000, 105, 106,  
 107; *Nicteroy* delivered to the  
 Government and rechristened the  
*Buffalo*, 107; author's plan to  
 build a torpedo boat for the  
 Government resulted in the *Flint*  
*Arrow*, 143; purchase of cruisers  
*New Orleans* and *Albany* building  
 in England for Brazil, 186, 187;  
 letter from Secretary Long in  
 recognition of author's services,  
 187

"Nereid Boat Club," "Like an  
 arrow, a *Flint* at the head of it,"  
 25; first mammoth minstrels;  
 burlesque of "Shylock," 25

New Brunswick woods (*illustr.*, 44)

New York Belting & Packing Com-  
 pany,—August Belmont induces  
 author to undertake merger in-  
 volving Western concerns, 302,  
 303; the Cleveland Rubber Com-  
 pany; Chicago Rubber Works;  
 getting all interested parties  
 lined up; negotiations in Audi-  
 torium Annex; everyone in line  
 except McClymonds, 303; latter  
 finally accepts ultimatum and  
 signs agreement in sleeping car,  
 304, 305

Nicholas II, Czar of the Russias,  
 author's audience with in 1905  
 at Peterhof Palace, 23; 206 to 210;  
 220; was fond of shooting the  
 "lujar," 38; description of, 207,  
 208; *portrait* and *facsimile* of  
 audience card from master of  
 ceremonies, 206; impresses author  
 as a man of intelligence; accuracy

# Nicholas II—*Continued*

of his memory, 208, 209; knowledge of and interest in American affairs, 209; his wise policy toward Americans taking part in development of Russia's resources, 209, 210; the gift of a charka, 224; Hague Conference, 224, 225; his evident desire to transfer the power of Government to the Russian people, 225

*Nicteroy*, cruiser,—was Morgan Liner *El Cid*; sold to author by Colis P. Huntington, 94 (*illustr.*, 92); sampling dynamite aboard, 97; securing officers and crew—Ivins' literary bureau helps recruiting, 98; fitted out in 21 days, 98; putting in commission, 98, 99; none of her executive officers or crew had ever seen her flag before, 99; Fontaine's descriptive poem, "Mello, Mello,—", 99; her dynamite gun encourages old Brazilian Admiral, 100; U. S. Navy Department wanted the *Nicteroy*, being a sister ship to the U. S. cruisers *Yankee* and *Prairie*, 102; Thos. S. Hopkins assists in negotiating sale, 102, 103; bought by Roosevelt for the Government, 105 to 107; delivered to the Government and rechristened the *Buffalo*, 107

NITRATE, 10; Peru's monopoly, (1878) leads to war with Chile and annexation of former's nitrate territory, 66; Col. North, Nitrate King, 66, 67; advantages of monopoly sensed by the Chilean producers, 68; Chilean President agrees to author's proposition that nitrate producers secure the economies of consolidation, 69; consolidation scheme discussed at Michael Grace's shooting party at Balintore Castle; Germans readily take to idea; English finally won over to it, 69; author's visit to Lord Rothschild; his chief concern, proposed consolidation's effect on Chilean finances, 69, 70, 71; Morgan turns financial details over to Henry P. Davison; U. D. Eddy goes to Chile to complete arrangements; everything on way to its con-

summation, 71; the "Knox Ultimatum,"—influence on Chileans like lightning out of a clear sky, 71, 72

Nitrate Company of Peru, 66

Nixon, Lewis, 143; his prophetic entry in *Arrow's* log, 146; delivers ten torpedo boats under contract to Russia, 201

Nolte, George H., established instructional system for technical industrial education in Latin America, 84

North, Colonel, "Nitrate King," 66, 67

Northcliffe, Lord, 251, 252

*Novoye Vremya*, St. Petersburg newspaper, 199, 208

## O

O'Brien, Edward, shipbuilder of Thomaston, Me., 6

Ochs, Adolph R., N. Y. *Times*, 275

*Odin*, H. M. S., 17

*O'Higgins*, Chilean battleship, 184

Olcott, Frederick P., Central Trust Co., 288

Olga, Queen of Greece, 217

Ornithology, interest in as a boy, 30, 31; specimens for Smithsonian Institute from Costa Rica jungle, 60

Osborne, Charles, stock operator, 37

## P

Pacific Mail Steamship Company, 94, 270

Packard, D. C., sailing master of the *Arrow* (*illustr.*, 146)

Packet ships, 12; race of twelve (1837) New York to Liverpool, 13; the *Montezuma* of Black Ball Packet Line (*illustr.*, 16)

Page, Parker W., 290

Palmer, Mrs. Potter, 95

Palmer, Gen. William J., 265

Panama, James Boyd and the *Panama Star & Herald*, 50, 51; taking of, 188

Panama Canal, Roosevelt's decision to urge prompt construction, 104

Pan-American Building, Andrew Carnegie presents; cost \$750,000, 83; *illustration*, 148

PAN-AMERICAN CONFERENCE,—82; 83; 175; invitation to conference,



PAN-AMERICAN CONFERENCE—*Continued*

1889, by Harrison Administration, 148; delegates from 18 nations (*illustr.*, 148); United States delegates, 148; Trescott's scheme to bring about his election to presidency of conference, 149; his plan thwarted by author's nomination of James G. Blaine, 150; Quintana and Lafayette debate eligibility of Blaine, 150, 151; unsuccessful attempt of Henderson, Carnegie and Bliss to arrange dispute; author appointed a committee of one with full power to settle it, 151; author offers resignation to assure Blaine's unanimous election as president, 152; Quintana opens way for Blaine's election, 152, 153; Blaine declares height of his ambition is to bring about treaty for settling Inter-American disputes by arbitration, 153; Blaine's vision in 1881 of a world court to avoid frightfulness of a world war, 153, 154; proposed Inter-American Arbitration Treaty is robbed of its eloquence through translations, 154, 155; Chile, it was inferred, because of annexation possibilities unexpectedly declines to sign at that time the Inter-American Arbitration Treaty, 155, 156; delegates take 5200 mile railroad trip; Latin-American delegates dodge Chicago's efforts to secure their opinion that Chicago is the best place to hold the World's Fair in 1893, 157; author's toast to the Americas at Chicago banquet, 158; initiation of idea for Bureau of American Republics, 83

Panics, the several stages of business crises, 111; 1893 and 1897—J. P. Morgan's financial leadership, 109

Parker, Alton B., 231, 232

Parks, Sir Henry, dinner to, 265

Passports, mixup in Russia during Russo-Japanese war, 212, 213

Patents, 252, 253

Paucefote, Sir Julian, Canadian Reciprocity, 179. *See Reciprocity*

Pearson, F. F., 73

Peckham, Wheeler H., 290

Pedro II, Emperor of Brazil, 61, 88, 99

Peixotto, Floriano, President of Brazil, 89; *facsimile* of Blaine's letter enclosing State Department cable announcing overthrow of monarchy, 88; Morgan Liner *El Cid* re-christened *Nicteroy*, 94

Pekinese dogs, the breed brought to England (1860), 17

## PERU,—

Agriculture, natural conditions assure successful agriculture, 51

Chile, War with, 1878,—Peru wants their financial agent, author's firm, to hurry forward munitions; author resigns as Chilean Consul, 85; munitions shipped via the isthmus of Panama, 86; Ericsson's submarine torpedo guns, 87; Confederate veteran Read takes charge of Herreshoff torpedo boats for Peru, 87; Peruvian torpedo boat (*illustr.*, 86); shipment of cartridge factory, 88; Huascar, naval battle of the; the defeat of Peru, 88

Chincha Islands (*illustr.*, 54)

Guano deposits, a great source of revenue, 53, 54; Peru borrows millions on strength of guano revenues; Meiggs uses Peruvian funds to encourage industry instead of revolution, 54, 55; with end of guano deposits in sight Meiggs' power wanes, 56, 57

Incas, a visit to a Temple of the Sun, 67, 68

Lima & Arroya R. R., 64

Meiggs, Henry. *See Meiggs*

Nitrate monopoly leads to war with Chile and annexation by Chile of Peruvian nitrate territory, 66

Railroads, Meiggs' Andean and other railroads, 55

Peterhof Palace, 206, 207

Petrograd, "Thieves Market" at, 282

Philanthropy, satisfaction gained by multi-millionaire philanthropists, 321

Philologian Debating Society, 115

Physician, safe method of selecting specialist, 26, 27

Pisagua, an Incas' remains, 67, 68

Polhemus, Harry, 37

Pollock, Channing, playwright, 36

Pook, Naval Constructor, 16

Pope, Frank L., electrical expert, 290

Porter, General Horace, 109, 110, 112

Port Limon, Costa Rica, 59

Portsmouth Peace Conference. *See Russo-Japanese War*

Prairie, U. S. Cruiser, 102

Pratt, Judge Calvin E., 36

PREPAREDNESS.—Roosevelt's activities as Assistant Secretary of the Navy, 103; author's letter in 1910 to James Gordon Bennett advocating preparedness, 188 to 192; "never been licked" paradise of fools; U. S. military power considered weak by foreign military experts; the fear that military strength would lead to an over-aggressive foreign policy; the danger of an aggressive policy based on bluff, 189; possible invasion of our Pacific Coast by Japan, 191; Mr. Bennett's reply to author's preparedness letter (*facsimile*), 192, 193; plan to strengthen our Naval force on the Pacific Coast by overland shipment of emergency submarines, 200, 201; Germany's secret war preparations—super-war armaments, super-aeroplanes, super-submarines and super-cannon, 249, 250

Price agreements, 297

Prince, F. O., ex-Mayor of Boston, 265; "J. V. Prince, brother of Mayor Prince," 266, 267

Prosperity, prosperity talk of the '80's and immediately after World War, 112

Protector, submarine, 198, 199, 208; transverse section (*illustr.*, 198); loaded on cars at Libau for rail shipment to Vladivostok (*illustr.*, 198)

Psychology, behavioristic, 119

Pu Lun, Prince, guest on *Arrow* trip around New York harbor, 279, 280; the private seal of the Empress Dowager, 281; *portrait*, 284

Q

Quintana, Manuel, 150, 151, 152, 153; *portrait*, 150

R

Railroads, Meiggs' Peruvian rail developments; their terrific cost, 55; Costa Rica's railroad from capital to Atlantic built by Meiggs' nephew, Minor C. Keith, 59, 60, 61

Raisuli Revolution, Morocco, 203

Randall, Sam, M. C., 256, 257

"Ranger," hunting dog, 41; with Joy Morton of Chicago (*illustr.*, 38)

Ranlett, Captain Charles Everett, 133

Rathenau, Walter, 249

RECIPROCITY,—

Aldrich Amendment to McKinley Bill, President Harrison's message in advocacy of; Blaine's advocacy in an open letter—"McKinley Bill without Reciprocity Amendment would not make a market for a single bag of flour or barrel of pork," 177; Chamber of Commerce and trade organizations' endorsements; the Amendment becomes law; many treaties entered into under it, 178; James G. Blaine discusses reciprocity treaties, 175, 176; Brazilian reciprocity treaty, 177, 178; Canada Liberals in election campaign, 1890, advocate reciprocity treaty with U. S.; Sir Julian Pauncefote opens negotiations with Secretary Blaine for reciprocity; publicity desirable in Canadian election for Conservatives but Blaine provides in memorandum letter that negotiations be kept secret, 179; Senator Wm. M. Evarts cautions against a war of tariffs, 177

Reconstruction (Southern States), 267, 268

Recreation, 24; recuperation after illness by life in woods, 26

Red House. *See Blaine, James G.*

Reed, Speaker Thomas Brackett,



- Reed, Speaker Thomas Brackett—  
*Continued*  
 "What in hell is reciprocity?",  
 176, 177  
*Reliance*, America's Cup defender,  
 141  
 Renwick, Henry Brevoort, electrical  
 expert, 290  
 Revelstoke, Lord, 134  
 Revolutions, Latin-American, arise  
 out of an acute unemployment  
 condition among politicians, 88  
 Riding Club of New York, 47  
 Robert, Edmond, 134  
 Robinson, James C., "H" in  
 "Hiraf," 119  
 Rockefeller, John D., 316; pioneer  
 in comprehensive quantitative  
 industrial economics, 286, 287;  
*portrait* and *signature*, 316  
 Rockefeller, John D., Jr., meeting  
 Prince Tsai Tao and Lord Li,  
 279  
 Rockefeller, William, 242; *illustration*  
 from *La Revue* of Paris, 308  
 Rogers, H. H., of Standard Oil Co.,  
 184  
 Rojestvenski, Admiral, 203; fring  
 on Dogger Banks fishermen, 87  
 Romero, Matias, Mexican Ambassa-  
 dor, 151; *portrait*, 150  
 Roosevelt, Emlen and Alfred, 136  
 ROOSEVELT, THEODORE,—31; 104;  
 185; *autographed portrait*, 102;  
 as Assistant Secretary of the  
 Navy, is mainspring of the  
 Department, Hobart advises, 103;  
 his decision to take Panama,  
 104; author asks for \$400 worth  
 of his valuable time, 104, 105;  
 buys *Nicteroy* for Navy Depart-  
 ment, 105, 107; quick to rise to a  
 suggestion diplomatically put,  
 106; regarded documents as some-  
 thing to follow negotiations, 106;  
*Nicteroy* contract concise and  
 clever—one sentence does for  
 pages of specifications, 107; "eight  
 pound" black bass and four  
 woodcock sent to Roosevelt by  
 author, 163; *facsimile* of letter  
 from White House acknowledg-  
 ing, 164; interest in submarine  
 vessels in 1905, 208; his im-  
 promptu message to Russia's  
 First Provisional Government,  
 231  
 Root, Elihu, 232; appointed head of  
 Russian Commission, 233; senses  
 lukewarm support of Russian  
 Commission; requests Gompers  
 to cable Workmen's and Soldiers'  
 Delegates, 234; *autographed por-  
 trait*, 234  
 Rosen, Baron Roman R., 223;  
 arrival in New York with Count  
 Witte to attend Portsmouth  
 Peace Conference (*illustr.*, 220)  
 "Rosicrucianism," "Hiraf" article  
 published by *Spiritual Scientist*,  
 120 to 126  
 Rothschild Frères, of Paris, 188,  
 292  
 Rothschild, Lord, 183, 189; *portrait*,  
 70; author's visit to, in London,  
 69, 70, 71; possible effect on  
 Chilean finances his chief interest  
 in projected Chilean nitrate con-  
 solidation, 70, 71  
 Rothschild, Baron, Robert de  
 (*illustr.*, 46)  
 Rothschilds of London, 91, 185;  
 figure in *Esmeralda* sale as finan-  
 cial agents of Chilean Govern-  
 ment, 181; can influence sale of  
 Brazilian cruisers building in  
 England to the United States or  
 to Spain, 186  
 Rothstein, St. Petersburg banker,  
 197  
 Rowing, the "Nereid Boat Club,"  
 25  
 Rubber,—the consolidation of rub-  
 ber boot and shoe interests,  
 288, 289; consolidation long de-  
 layed, 287, 298; author asked to  
 bring about rubber shoe consoli-  
 dation, resulting in the organiza-  
 tion of the United States Rubber  
 Company which ultimately ab-  
 sorbed the Boston Rubber Shoe  
 Company and the Woonsocket  
 Rubber Company, 298  
 RUSSIA,—  
 First Provisional Government of,  
 225; Choate sees importance  
 of giving it encouragement,  
 226; integrity of Prof. Miliukov  
 and other Cabinet members,  
 230; author's vision of chaos  
 in Russia resulting from failure  
 of England and the United  
 States to offer encouragement,  
 230, 231; organizing a mass

RUSSIA—*Continued*

meeting in New York; Roosevelt's impromptu message felicitating new government, 231; mass meeting a success, 231, 232; in the Senate Lobby explaining the Russian situation to U. S. Senators, 232, 233; telegram to President Wilson resulting in appointment of the Russian Commission headed by Elihu Root, 233; how material assistance for support of mission might have helped, 234; Root senses lukewarm support of Commission; requests Gompers as President of the American Federation of Labor to cable Workmen's and Soldiers' Delegates, 234; Captain Guy Gaunt, head of the British Secret Service, discusses situation, 237; England's failure to give material aid, 238; our neglect to assist the First Provisional Government, 239

Government,—telegrams sent by Flint & Co. for account of Imperial Government cost \$33,000, 188

Revolution, signs of, 204

"Russia for the Russians," 220

RUSSO-JAPANESE WAR,—only after Russia became a belligerent did she realize the importance of securing war vessels, 197, 198; author receives cable from Russian Government authorizing purchase of munitions; credits arranged; Russian Admiralty wires instructions to purchase submarine *Protector* and five other submarines; question of neutrality, 198; General Benjamin F. Tracy takes title to *Protector* as trustee; getting the *Protector* out of American waters; the supposed fact that Japan had made the purchase and protest by *Novoye Vremya*, 199; the five submarines shipped in parts; submarines sent overland by rail to Vladivostok, 199, 200; Nixon delivers 10 torpedo boats under contract to Russia, 201; Argentine and Chilean war vessels

sought by Japan, 201, 202; author instructed to get these ships for Russia; is given letters of credit for 150,000 francs by Rothschild Frères of Paris; negotiations leading to purchase of most desirable Argentine and Chilean warships, 202; sale must be to a neutral government; General Castro willing to have Venezuela assume rôle, but Chile and Argentine declined to sell to American neutral, 203; Morocco is named as neutral but warships are never delivered to Russia, 203, 204; signs of revolution in St. Petersburg; author leaves Russia, 204; meets Sir Charles Hardinge on steamer, 204, 205; impression that England had been checkmating author's endeavors to secure warships for Russia confirmed, 205; Schwab offers to serve Russia, 205, 206; author's audience with Nicholas II in 1905, 206 to 210; news of the naval battle of Tsushima; report relating to fate of cruiser *Gramavoy*, 210, 211; a mission to Constantinople with Capt. Broussiloff to throw a monkey-wrench into the plans being engineered by an English syndicate to sell to Turkey Argentine and Chilean warships, 212 to 217; Count Witte inquires regarding attitude of U. S. towards sale of Argentine and Chilean warships to Russia, 218, 219; Witte's plans for Russia's industrial development, 220; at author's suggestion Admiral Abaza proposes to Czar that Witte be appointed head of Russian peace delegation to Portsmouth Conference; Abaza returns from audience at Peterhof announcing Witte's probable appointment, 220, 221; arrival of Russian Peace Commission in New York (*illustr.*, 220); Witte's ability and cleverness get him honor out of peace conference instead of damnation as predicted, 222; Witte's cable from Portsmouth to Czar—a code, "peace" or "war," 223; dinner to Russian

RUSO-JAPANESE WAR—*Continued*  
delegates at Metropolitan Club,  
New York, 223; departure of  
Russian Peace Commission  
(*illustr.*, 146)

## S

Said Bey, adjutant of the Sultan of  
Turkey, *portrait*, 216

St. Louis Exposition, 204

St. Petersburg, signs of revolution,  
204

"Saints", Chapman and Flint's ships  
named after the Saints (*illustr.*,  
16)

Sanford, Charles H., 73; *portrait*,  
76; saw immense possibilities of  
the Argentine; induces Baring  
Brothers to back Argentine, 74;  
his finances involved in disturb-  
ance of 1890; his judgment  
correct—returns to Argentine and  
finds his money where he lost it,  
74; the senior of a most remark-  
able trio, 75

Santos-Dumont, Alberto, 244

Sawyer & Man, pioneer electricians,  
293

Schiff, Jacob H., 232

SCHWAB, CHARLES M., 205, 206;  
cables Carnegie recommending  
the building of Homestead; Car-  
negie cables "No"; Schwab  
replies "I guarantee it will be a  
success"; Carnegie wires back:  
"Who guarantees the guaran-  
tor?", 40; Carnegie's thrift, 171;  
*portrait*, 172; suggestion he advise  
President Wilson on industrial  
matters; Schwab's persuasive art,  
171, 172; appointment as Secre-  
tary of the Navy advocated, 172,  
173; *illustration* from *La Revue*  
of Paris, 308?

Scotland, author and Mrs. Flint  
are entertained by the Carnegies  
at Cluny Castle; Scotch humor;  
the bagpipes and the kirk, 39, 40  
Selden Patent Association, 243, 244,  
294

Selfridge, Lieutenant Thomas E.,  
first power airship fatality, 250,  
251

Semmes, Captain Raphael, plays  
poker with Capt. Chapman but

"his ship will be burnt if over-  
hauled by the *Alabama*," 18

Sen Sen Chiclet Company, 307, 308  
*Shamrock III*, America's Cup chal-  
lenger, 141

Shipbuilding, at Thomaston, Me.,  
11; Chapman & Flint first to  
build elliptical stern, 16; *Arrow's*  
radical change in ship modelling,  
146

SHIPPING,—author becomes dock  
clerk, 7; W. R. Grace & Co., *see*  
*Grace, W. R. & Co.*; author's  
father helps him acquire a prac-  
tical knowledge of vessels, 11;  
packet ships, 12; passenger, mail  
and fast freight steamers super-  
sede clipper ships, 16; Maine's  
ship captains and owners enter-  
tained by Southern families  
during the winters, 19; the  
supplanting of wood by iron and  
steel and European shipping  
enterprise take away America's  
lead in ocean transportation, 20;  
subsidies; "trade follows the  
price," 20; shipping business  
requires special knowledge and  
long experience, 21; Flints had  
second largest fleet of sailing  
vessels under American flag, 21;  
the American-Hawaiian the most  
successful American steamship  
company ever organized, 21;  
American shipmasters of the  
'70's usually superior; owners  
policy of treating their captains  
liberally a wise one, 52; the ocean  
greyhound and the fastest yacht  
(*illustr.*, 146); clipper ships, *see*  
*Clipper ships*

Shoe industry, centred in Lynn,  
Mass.; is re-locating in the West,  
311

SHOOTING,—author, at eleven years  
of age, obtains a shot gun, 29;  
Maine woods; happy times passed  
there during student days, 30;  
shooting in many countries, 32;  
Long Island, in uncultivated  
parts, a sportsman's paradise,  
33; Arden and Harriman's park  
for the public, 33; duck shooting  
36, 37; Coleman Dupont's Glass  
House and shooting at Cam-  
bridge, Md., 37, 38; upland shoot-  
ing (*illustr.*, 34); shooting under



SHOOTING—*Continued*

difficulties—at Kinsale; in Finland; in Russia, 38, 39; Nicholas II's fondness for "lujar" shooting, 38; game stalked by "beaters" in Austria-Hungary, 39; author and Mrs. Flint guests of Carnegies at shooting party, Cluny Castle, Scotland, 39, 40; difference between European and American shooting, 40, 41, 42; big game hunting in the Rockies, 44; island of Usedom, Germany—Baron von Zglinitzki; Usedom dogs trained to German discipline, 46, 47; "explosive bullets no good outside the animal," 47  
 "Shylock," "Nereid" Club's burlesque of, 25  
 Simmons, Dr. Charles E., 254  
 Simmons, E. Kate, guest on *Gracie* during Larchmont regatta, 1881, 138, 139, 140; Tilden's remark about yachting and matrimony, 255  
 Simmons, J. Edward, 299  
 Skating (*illustr.*, 24)  
 Slaughter, General, 87  
 Sloane, Samuel, 273, 274  
 Smith, Chauncey patent lawyer, 290  
 Smith, J. Henry, in the Maine woods (*illustr.*, 42)  
 Smithsonian Institution, 60  
 Smoking, injurious to health, 23  
 Socialism, Gompers defines difference between a socialist and a trade unionist, 318, 319  
 South—Reconstruction, 267, 268  
 South Side Sportsmen's Club, 167, 168; 242; 243; snapshot of author fly fishing for trout (*illustr.*, 164); Kang Yu Wei the "Modern Sage" of China and his daughter guests at (*illustr.*, 166)  
 South Street, water-front in the days of the fast clippers, 11  
 Southern hospitality, 19  
 SPANISH-AMERICAN WAR,—Morgan liners type of merchant vessels suitable for transforming into cruisers; *Prairie* and *Yankee* purchased by Government; *Nicteroy*, formerly *El Cid*, for sale by Brazil, 102; the war deplored by Secretary Long, 103; *Nicteroy* bought by Roosevelt for the

Government, 105, 106, 107; vessel delivered to the Government and rechristened the *Buffalo*, 107; President McKinley instructs author to open negotiations for all available warships, 183, 184; Danish West Indies, 184, 185; ahead of Spain on bids for war vessels; appropriation by Congress, 185; Spain seeks two cruisers under construction in England for Brazil; how the United States got the ships, 186, 187; *Albany* and *New Orleans* only war vessels U. S. was obliged to purchase to forestall Spain, 187; letter from the Secretary of the Navy in recognition of author's services, 187  
 Spirit of the Times Cup. *See Gracie*  
 Spiritualism, founding of Theosophical Society—Mme. Blavatsky assisted by "Hiraf," 127, 128  
*Spiritual Scientist*, 119; 120; 127, 128; extracts from "Hiraf" article, "Rosicrucianism," 120 to 126  
 Spooner, John C., United States Senator, 232  
 Sports, author's instinct of a sportsman, 30  
 Sports, outdoor, skating; swimming; golf; foxhunting; trotting horses, 24; rowing—the "Nereid Boat Club," 25; violent athletics, 25  
 Standard Oil Company, incorporation, 286, 287  
 State Department, J. G. Blaine and Reciprocity Treaties, 175  
 Stillman, James, 197; *portrait*, 262; secret of his remarkable success, 263; his power in finance; describing him by the analogy of a fifty-fifty deal, 264, 265  
 Stone, Melville E., 226; characteristic pose and *facsimile* of note to author (*illustr.*, 226); 234  
 Studebaker, Clem, delegate to Pan-American Conference, 148  
 Submarine, Holland's entry in *Arrow's* log, 147; inventions developed by foreign governments, 190; *Lake's Protector*, 198, 199; plan to strengthen our Naval force on Pacific Coast by over-

Submarine—*Continued*

land shipment of emergency submarines, 200, 201; Krupps' negotiations for the Lake inventions, 249

Success, physical vigor requisite as well as intellectual, 22

*Sun*, The New York, attack on Mme. Blavatsky and her cult leads to libel suit against Charles A. Dana, 131; retraction and dismissal of suit, 132; "Lord Dunracing," 140; comment on author's libel suit against the *Post*, 275

## T

Taylor, Lady Jane, 246, 247; *portrait*, 246

Test River, trout fishing, 173

Theosophical Society, the part taken by four members of the "Hiraf" at the preliminary meeting of the Theosophical Society at which the Constitution and By-Laws were adopted described in a letter dated New York, November 2, 1875, addressed by Robinson to Hinrichs at Goettingen, 127 to 128

Theosophy, "Hiraf" quoted as an authority by Mrs. Annie Besant, 130

Thomaston, Me., 4; shipbuilding at, 11; reasons for its Southern sympathies, 19, 20

TILDEN, SAMUEL J., 26; 110; 189; *autographed portrait*, 254; his ready response to an undiplomatic salutation by a well intentioned Democrat, 254; his wonderful power of condensation owing to his impaired voice; trustee legacies to female heirs; yachting as the chief end of matrimony, 255; Daniel Lamont's hurried trip to Greystone and unexpected denouement; Tilden's nominations for Cleveland's cabinet; Cleveland sound on finance—Tilden's letters, 256; Bayard for Secretary of State, 257; "Marse" Henry Watterson tries to get "Sage" committed, 257, 258; trip down the bay on *Gracie*; Hancock; Tilden's two words on the

tariff, 258; the Tildenesque letter on Sumptuary Laws, 259; investment in West Shore bonds, 259, 260; railroad reorganization; *Puck's* cartoon following his death—his controlling reason for not aggressively asserting his right to Presidency, 260; Tilden's high opinion of Grover Cleveland, 260, 261; James J. Hill receives advance information on the presidency, 261, 262; declaration to Convention: "my public career forever closed," 262

*Times*, The New York, West Shore R. R., 113; attack on Blaine, 159; Editor Miller's purchase of, 273; author's libel suit, 274; its unique accomplishment, 275

Tong Shoa Yi, on special mission from China to U. S., 284, 285

Torpedo boats, shipped to Peru via Colombia in sections as carriages, 87; *illustration*, 86

Torpedo guns, under water, invented by John Ericsson, 87

Tracy, Gen. Benjamin F., 199, 224

"Trade follows the price," 20

Trade marks, value of, 306, 307

Travers, William R., the wittiest American, 269, 270, 271; *portrait*, 262

Trescott, William Henry, Delegate to Pan-American Conference, 148; *portrait*, 150; thwarted by author in scheme to secure presidency of conference, 149, 150

Trolley,—Prof. Farmer's electric railroad, 1847; Dr. Colton's electrical railway, 290

Trout fishing, on River Test, 173, 174; trout fishing at Southside Club, L. I. (*illustr.*, 166)

Trusts, *see Industrial Consolidations*; proposed nitrate consolidation, *see Nitrate*

Tsai Tao, Prince, 279; *portrait*, 284

Tsushima, naval battle of, 210

Turkey, author's secret mission to, in interest of Russia, 214, 215, 216

Turkey, Sultan of, writing a telegram to (*illustr.*, 216)

## U

United States, reciprocity, 176; Canada's Liberals in 1890 elec-



# United States—Continued

tion advocate reciprocity with United States—Blaine-Pauncefote discussions, 179; possible invasion of Pacific Coast by Japan, 191

UNITED STATES ELECTRIC LIGHTING COMPANY,—author, receives stock at a concession and becomes its president; associates in company: Henry B. Hyde, Marcellus Hartley, Anson Phelps Stokes, Robert B. Minturn, D. Willis James and Frederick Olcott, 288; first incandescent light in New York residence, 288, 289; company without a complete lighting system; necessity of securing, 289; patent lawyers and experts retained, 290; attempt to consolidate with the Brush Co., 291; Weston Electric Light Co. is purchased, 291, 292; Edward Weston's services acquired; Hudson Maxim is induced to go to Europe, 292, 293; Prof. Farmer decides that no limitations can be defined in field of electrical development, 293; author envisages light and power consolidation, 293; the right and the wrong way in forming large industrial consolidations, 293, 294; patents and patent litigation; the company makes contract with Elihu Thomson and Professor Houston, 294; Charles A. Coffin enters the electrical field—referred to as the "Lynn shoemaker," 295; without experience creating conditions detrimental to bringing about a consolidation; how Edison felt about the proposed consolidation, 295, 296; long and expensive legal battles following failure to bring about an electrical consolidation—result: 16 years' litigation; Edison held not the inventor, broadly, of carbon filament lamp, 296; author resigns as president; the company is combined with the Westinghouse Company; Edison's disposition, subsequently, toward author, 296, 297

United States Rubber Company, consolidation, *see Rubber*; Samuel

P. Colt asks author to negotiate for the rubber of the Belgian Congo, 300

United States Steel Corporation, Carnegie's display of *Puck* cartoon picturing Morgan and associates in burlesque of Verestchagin's *Napoleon's Retreat from Moscow*, 170; shareholders have last laugh, 171

## V

Vacations, week-ends and holidays for vacations, instead of weeks, 32

*Valkyrie II*, America's Cup challenger, 140

Van Dyke, Henry, "God of the Open Air," 22; member of Philologistian Debating Society, 115

*Vigilant*, America's Cup defender, 140

## W

Walker, John Brisben, 242; entry in *Arrow's* log on practice of making literary men Ministers Plenipotentiary, 280

Walling, William English, 234

Wall Street, a man's word his bond; the Street no place for man who goes back on his word, 106, 107; the code relating to favors and injury; J. P. Morgan repays a favor, 107, 108

Ward, Herbert, his remarkable career, 75, 76, 77; *portrait*, 76

Washington, George, quoted on "entangling alliances" and preparedness, 191

Watson, Thomas J., 313; *auto-graphed portrait*, 312

Watterson, Henry ("Marse" Henry), 257, 258

Weston, Edward, 292, 293

Weston Electric Light Company, 291, 292

WEST SHORE RAILWAY,—organized by Generals Winslow and Porter, 109; Baring Brothers decline to invest; Tilden does not "take the second cut," 110; the West Shore the product of a flurry of prosperity, 111; the danger of basing capitalization on the large earn-

- WEST SHORE RAILWAY**—*Continued*  
ings of a period of abnormal prosperity, 110, 111, 112; one of many corporations auspiciously introduced only to become a derelict, 112; Depew asks author to confer with Anthony J. Drexel about the West Shore Railroad, 112; reorganization committee headed by Abram S. Hewitt, 113; preventing adoption of re-organization plan; George Jones, owner of the *Times*, puts Ivins to writing about road's doings and undoings, 113; reorganization plan side-tracked, 113; J. P. Morgan, arranges for the New York Central to take over the West Shore resulting in a profit and increased prestige, 113; Tilden's deal in bonds joint account with the author, 259, 260
- Wilhelm II**, Emperor of Germany, 247, 248, 249
- Wilson**, Woodrow, President, 239; Schwab suggested as industrial adviser, 171, 172; author's telegram to, resulting in appointment of a commission to Russia headed by Elihu Root, 233
- Winslow**, General, 109, 110, 112
- Wirenius**, Admiral, 203
- Wischnegradski**, 202
- WITTE**, COUNT SERGIUS,—first meeting with in St. Petersburg, (1905), 218; his plan for Russia's development through bringing in foreign capital, 219; adoption of his ideas would have erected a great industrial bulwark against Bolshevism, 220; his appointment as head of Russian peace delegation to Portsmouth Peace Conference; "will be damned if he does and damned if he doesn't," 220, 221; arrival in New York (*illustr.*, 220); his ability and cleverness brought him honor out of peace conference instead of damnation, 222; a word to cable "peace" or "war," 222, 223; at Vichy, 1910, 225
- Wood**, William M., 305
- Workmen's and Soldiers' Deputies**, Council of, *see Russia, First Provisional Government of*
- World Court**, Blaine's ambition (1881) to establish, 153, 154
- World War**, Blaine's vision of a world court to avoid frightfulness of a world war, 154; most Americans killed in World War were killed by American inventions, 246; the reason for China's delay in entering, 285; production of war supplies demonstrated efficiency of industrial consolidations, 315
- World's Fair**. *See Chicago World's Fair*
- WRIGHT BROTHERS**,—first ascent in a "heavier than air" machine; injunction granted before adjudication; Wrights public spirited and patriotic, 245; Wilbur Wright goes abroad after our Government failed to avail of Wrights' inventions, 245, 246; Ulysses D. Eddy visits Wrights Thanksgiving Day, 1906, 246; negotiations with England through Lady Jane Taylor, 246, 247; Germans quick to recognize great possibilities of Wright aeroplane; exhibition flight in Berlin, 247; Orville Wright congratulated on achievement by Kaiser, 247, 248; Kaiser's aeroplane dinner, 248, 249; apparent German indifference to aerial warfare explains most war ministries' lack of interest in Wright aeroplane, 249; a French company for exploitation of Wright inventions; Wilbur Wright's flight at Le Mans; French aeroplanes based on Wright inventions, 250; Orville Wright-Selfridge flight at Fort Meyer, first power airship fatality, 250, 251; Lord Northcliffe presents the Albert Medal to Orville Wright, 251, 252; the Wright's business relations with author, 252; discussions concerning patents, 252, 253; the Wrights patient, exhaustive investigators, not lucky accidental discoverers; the Wright secrets could have become U. S. State secrets; recompense of the Wrights important but insignificant compared with accomplishments, 253

Wright, Katherine, with brother, Orville (*illustr.*, 248)  
 Wright, Orville, 244, 247, 248;  
 Wright-Selfridge flight at Fort Meyer the first power airship fatality, 250, 251; with his sister, Katherine (*illustr.*, 248); presented with the Albert Medal by Lord Northcliffe, 251, 252  
 Wright, Wilbur, invention, 245; flight at Le Mans, 250; seated in aeroplane with King Alfonso (*illustr.*, 248)  
 Wrigley, William, 308  
 Wu Ting Fang, Dr., address at University of Pennsylvania; on Chinese Exclusion Act—the weaknesses of Oriental and Occidental civilizations, 281; the “loud call” heard by a young Washington pastor, 282; *portrait* and *signature*, 284; meets industrial magnates at author’s home, 283, 284; answers all but one of Harriman’s questions about China but Harriman fails to answer single question by Wu about his rail ownership, 284  
 Wyandanch Club, 33

Y

YACHTING,—taken up by author in 1879 by purchase of sloop yacht

*Gracie*, 133; minimizing cost by taking in three partners; three events unique in history of yachting, 134; Buzzards Bay Race—Spirit of the Times Cup; withdrawal of award to *Mischief*; *Gracie* won cup twice, *see Gracie*; topmast carried away at start of Corinthian race, 136, 137; “There’s no courtesy in yacht racing,” 137; defeating America’s Cup defender and challenger, 137, 138 (*illustr.*, 138); guests on *Gracie* at Larchmont races of 1881; poem by Ivins, 138, 139, 140; Larchmont Club’s reception to Sir Thomas Lipton, 140, 141; an expensive sport; the author’s yachting profitable, 142, 143; *Arrow*, fastest yacht in the world, *see Arrow*; member of *Vigilant* syndicate of 1893; Lord Dunraven, 140; log-book an enjoyable feature, 144 (*see Arrow*); interesting Tilden in yachting, 258  
 Yildiz Palace, Constantinople, 214  
*Young America*, clipper ship (*illustr.*, 12)

Z

Zalinski, dynamite gun, 94, 95, 98; (*illustration*, 92)













88  
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